

***State of Maryland***  
**DRAFT Consolidated Plan**  
**Annual Performance Report**

For the period July 1, 2011 through June 30, 2012

**Martin O'Malley, Governor**  
**Raymond A. Skinner, Secretary**

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*The Maryland Department of Housing and Community Development pledges to foster the letter and spirit of the law for achieving equal housing opportunity in Maryland.*

## CONSOLIDATED PLAN ANNUAL PERFORMANCE REPORT

### Introduction

The Consolidated Plan is a planning document required by the U. S. Department of Housing and Urban Development (HUD). The Plan covers a five-year period and is updated annually. The Five Year Plan under this performance report covers the period July 1, 2009 through June 30, 2014. The Plan is designed to coordinate Federal (and to a lesser extent State) resources to provide decent housing, economic opportunities, and an acceptable living environment to all Maryland citizens. The Consolidated Plan must be submitted to HUD in order for the State to receive funding for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG) and Housing Opportunities for Persons With AIDS (HOPWA) entitlement programs, as well as funding under competitive HUD programs.

Maryland's Consolidated Plan set forth three over-arching goals the State wanted to carry out over the past five years - revitalizing communities, encouraging homeownership, and expanding the supply of decent affordable housing. As noted above, the five-year Consolidated Plan is updated annually. This is done through a document called the Annual Action Plan. The Annual Action Plan sets more detailed, one year goals to carry out the overarching goals in the Consolidated Plan. As part of the Consolidated Planning process, the State is also required to submit an Annual Performance Report (APR) to HUD which details progress the State has made in carrying out its detailed one-year goals in the Action Plan, as well as its overall five-year goals.

The APR follows a HUD-proscribed format and is in two parts. The first part describes the Annual Performance of the State, looking at resources made available to the state, investment of resources, households and persons assisted, and other actions undertaken. It also includes a discussion of achievements made in improving institutional structures, intergovernmental cooperation, coordination of the low-income housing tax credit with other housing programs, public housing resident initiatives, lead paint abatement, and fair housing, among other areas. The second part of the APR is a self-assessment of the State's performance compared to the goals it set forth in its Plan.

## PART I - ANNUAL PERFORMANCE

### RESOURCES MADE AVAILABLE TO THE STATE

#### FEDERAL RESOURCES

The table below shows the federal funds the Maryland Department of Housing and Community Development (DHCD) received from the federal government for housing, community development, and economic development activities during the reporting period. The table does not include funds provided directly to entitlement jurisdictions (Anne Arundel, Baltimore, Harford, Howard, Prince George's, and Montgomery Counties, and the cities of Annapolis, Baltimore, Bowie, Cumberland, Frederick, Gaithersburg, Hagerstown, and Salisbury).

<b>FEDERAL FUNDING – APPROPRIATIONS</b> July 1, 2011 – June 30, 2012	
<b>PROGRAM</b>	<b>AMOUNT AWARDED</b>
HOME	\$7,100,629
CDBG	\$7,339,959
ESG	\$950,800
DOE Weatherization	\$2,016,848
Rural HOPWA	\$399,689
Montgomery/Frederick HOPWA	\$823,714
Section 8 Vouchers	\$18,275,178
Section 8 Moderate Rehabilitation	\$388,851
Section 8 Contract Administration	\$191,805,778
CSBG	\$8,263,647
<b>TOTAL</b>	<b>\$237,365,093</b>

#### Additional Resources

Aside from direct appropriations, DHCD and its partners may receive additional funding from the federal government, through bond or tax credit authority, competition, or pass through funding from other agencies. Below is a summary of funding received from these sources during the reporting period:

## **Housing Revenue Bonds**

Housing Revenue Bonds (HRBs) are a federal resource provided to the State through the federal tax code. HRBs are issued on a calendar year (CY) basis, with the amount a State can issue based on population. During the period July 1, 2011 through June 30, 2012, DHCD issued a total of \$298,551,854 in HRBs. Of that amount, \$39,875,000 was used for rental housing loans to provide affordable rental housing for low- and moderate-income households and \$258,676,854 was used to make mortgage loans to qualified home buyers in Maryland.

## **Federal Low-Income Housing Tax Credits**

The State of Maryland received a total of \$12,530,944 in competitive Federal Low-Income Housing Tax Credits (Tax Credits) in CY 2011. (Similar to HRBs, Tax Credits are awarded on a calendar year basis). This included a per capita allocation of \$12,413,137 and \$117,807 from the 2011 National Pool Allocation and returned credits. The Department also allocates tax credits to projects that are funded with tax-exempt bonds. In 2011 the Department allocated \$4,441,931 in non-competitive tax credits.

## **Infrastructure Bonds**

DHCD is a conduit issuer of public purpose bonds on behalf of local governments to finance or to refinance infrastructure improvements. This authority comes from federal laws and regulations pertaining to the issuance of tax-exempt bonds. Local government participants gain access to affordable capital with advantageous terms in order to finance critical infrastructure projects and serve communities across the State of Maryland.

## **Competitive Funding**

In addition to the funds mentioned above, DHCD received competitive funding during the past year. This included about \$1 million in Housing Counseling Funding from NeighborWorks on top of about \$2 million in State funding. The Housing Counseling funds were passed through to local intermediaries. The DOE funds were awarded to DHCD in late June 2010 and are primarily geared toward improving energy efficiency in multi-family housing. DHCD also received a \$1 million grant from the Weinberg Foundation to expand the supply of rental housing for persons with disabilities.

Housing sponsors may also receive competitive funds from the federal government for affordable housing or providing homeless assistance. These include Section 202 (elderly housing) funds, Section 811 (disabled housing) funds, Farmer's Home Administration funds, McKinney Act funds, and Public Housing Authority (PHA) funds, among others. Developers, PHAs, and/or nonprofit agencies apply directly to the federal government for funding under these programs.

## Pass Through Funding

DHCD received pass-through funding from several agencies during the past year to help housing and community revitalization efforts. The Maryland Energy Administration (MEA) received funding from the State Energy Grant Program, and passed through to the Department about \$10 million in Multifamily Energy Efficiency and Housing Affordability (MEEHA) to help support housing preservation efforts in conjunction with a grant DHCD received from the MacArthur Foundation last year. MEA also passed through about \$2 million in funding from the Regional Greenhouse Gas Initiative to make single-family homes more energy efficient (primarily for housing where incomes exceeded limits set by the Federal Weatherization program.) DHCD received just over \$1 million in pass through funds from the Appalachian Regional Commission to carry out community revitalization efforts in Western Maryland. Beginning in 2012, DHCD will receive \$72 million from the 5 State utilities in Maryland for the EmPower program for use in energy conservation in rental housing and single family housing across the State. DHCD received \$1 million from the Weinberg Foundation to allocate to projects for designating some rental housing units for disabled persons available at 30% or less of AMI. The Weinberg funds will reduce the amount of mortgage on the property so the units can be rented for less. Foxtail Crossing II received \$140,000 of Weinberg funds in FY 2012.

### STATE RESOURCES

In addition to the federal funds it received, DHCD also received over \$57 million in State funds which helped to carry out the goals set forth in the Consolidated Plan. The table below shows the funds appropriated for the reporting period.

<b>State Resources</b> July 1, 2011 - June 30, 2012	
<b>PROGRAM</b>	<b>AMOUNT</b>
Rental Housing Programs	\$24,275,000
Special Loan Programs	\$7,400,000
Homeownership Programs	\$7,500,000
Rental Service Programs	\$1,700,000
Neighborhood BusinessWorks Programs	\$4,250,000
Community Legacy Program	\$4,250,000
<b>TOTAL</b>	<b>\$49,375,000</b>

NOTE: Rental Housing Funds include \$6 million in Partnership funds, \$2 million in Transitional Housing Funds.

DHCD also issued \$1 million in tax credits under the Community Investment Tax Credit Program. The Department also serves as the operational staff for the Maryland Affordable Housing Trust (MAHT), which provided over \$2.2 million in additional resources (outside of those used directly within DHCD programs) which helped carry out some of the goals of the Consolidated Plan.

**INVESTMENT OF AVAILABLE RESOURCES**

The information below provides summary descriptions of the activities undertaken during the reporting period.

**FEDERALLY FUNDED ACTIVITIES**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROJECTS**

The Community Development Block Grant (CDBG) Program provides grants to units of local government to carry out housing, public facility and economic development activities which predominantly benefit low and moderate-income persons.

The CDBG Program is comprised of two parts. The Entitlement Program is directly administered by HUD and provides Federal funds to large metropolitan "entitlement" communities. The States and Small Cities Program provides Federal funds to the States who then distribute funds to "non-entitlement" counties, small cities and towns. DHCD operates the Small Cities CDBG program on behalf of these jurisdictions, which are awarded to local governments on a competitive basis. During Program Year 2011, the State awarded \$7,500,323 which included the allocation from HUD and program income. The summary below shows the CDBG awards during the period July 1, 2011 through June 30, 2012:

Community Development Block Grant July 1, 2011 – June 30, 2012									
CDBG Awardee	Description	Award	Leverage	Total Project Cost	Consolidated Plan Performance Measure	Con Plan Priority	Ben. Type	Proposed Ben.	Proposed LMI Beneficiaries
Accident	Construction of a new well	295,000	8,500	303,500	Revitalizes Communities	High	People	348	186
Allegany County	Amendment - Extension of new sewer service	600,000	3,125,000	3,725,000	Revitalizes Communities	High	People		

**Community Development Block Grant**

July 1, 2011 – June 30, 2012

<b>CDBG Awardee</b>	<b>Description</b>	<b>Award</b>	<b>Leverage</b>	<b>Total Project Cost</b>	<b>Consolidated Plan Performance Measure</b>	<b>Con Plan Priority</b>	<b>Ben. Type</b>	<b>Proposed Ben.</b>	<b>Proposed LMI Beneficiaries</b>
Allegany County	Amendment - Connection of LMI households to new water service	28,423		28,423	Revitalizes Communities	High	Units		
Berlin	Construction of lagoon and spray irrigation system	600,000	8,511,650	9,111,650	Revitalizes Communities	High	People	3,341	1,846
Berlin	Renovation of public restrooms	65,500	4,600	70,100	Revitalizes Communities	High	People	3,341	1,846
Cambridge	Streetscape and sidewalk improvements	370,000	20,500	390,500	Revitalizes Communities	High	People	10,203	6,220
Charles County	Provide down payment assistance to LMI homebuyers to purchase of foreclosed houses in Waldorf	375,000	140,000	515,000	Revitalizes Communities	High	Units	25	25
Crisfield	Reconstruction of city dock	60,000	1,022,000	1,082,000	Revitalizes Communities	High	People	2729	1927
Delmar	Amendment - Study of Sewer System	25,000	0	25,000	Revitalizes Communities	High	People		
Emmitsburg	Acquisition of property to be redeveloped as affordable rental housing for seniors	100,000	10,378,865	10,478,865	Revitalizes Communities	High	Units	43	43
Friendsville	Amendment - Installation of pedestrian bridge.	33,740	0	33,740	Revitalizes Communities	High	People		

Community Development Block Grant  
July 1, 2011 – June 30, 2012

CDBG Awardee	Description	Award	Leverage	Total Project Cost	Consolidated Plan Performance Measure	Con Plan Priority	Ben. Type	Proposed Ben.	Proposed LMI Beneficiaries
Frostburg	Sewer improvements	500,000	1,707,500	2,207,500	Revitalizes Communities	High	People	5,821	3,273
Grantsville	Demolition of former meat packing plant	420,000	0	420,000	Revitalizes Communities	High	Building	1	1
Greensboro	Acquisition of land and engineering for new wastewater treatment plant.	600,000	10,400,000	11,000,000	Revitalizes Communities	High	People	2,829	1,614
Loaconing	Installation of emergency generators at three water treatment plants	265,000	3,000	268,000	Revitalizes Communities	High	People	1,146	685
Midland	Feasibility study for former school building	35,000		35,000	Revitalizes Communities	High	People	444	236
Mountain Lake Park	Replacement of sewer pump station	78,200	5,000	83,200	Revitalizes Communities	High	People	2,120	1216
Pocomoke City	Citywide housing rehabilitation program	250,000	33,000	283,000	Revitalizes Communities	High	Units	16	16
Princess Anne	Street paving	80,000	12,000	92,000	Revitalizes Communities	High	People	26	26

Community Development Block Grant  
July 1, 2011 – June 30, 2012

CDBG Awardee	Description	Award	Leverage	Total Project Cost	Consolidated Plan Performance Measure	Con Plan Priority	Ben. Type	Proposed Ben.	Proposed LMI Beneficiaries
Snow Hill	Improvements to the wastewater treatment plant	600,000	13,311,716	13,911,716	Revitalizes Communities	High	People	2,054	1153
Somerset County	Renovations to former school for use as a senior center	600,000	700,000	1,300,000	Revitalizes Communities	High	People	444	444
Somerset County	Amendment - Continue the countywide housing rehabilitation program	75,000	0	75,000	Revitalizes Communities	High	Units	9	9
St. Michaels	Improvements to community center	143,000	25,996	168,996	Revitalizes Communities	High	People	222	220
Thurmont	Amendment - Improvements to a building used as a senior center	13,460		13,460	Revitalizes Communities	High	People		
Union Bridge	Infrastructure improvements	230,000	80,500	310,500	Revitalizes Communities	High	People	1,001	605
Westernport	Repairs to sewer damaged by a landslide	360,000	5,000	365,000	Revitalizes Communities	High	People	2,129	1340
Wicomico County	Countywide housing rehabilitation program	300,000	270,048	570,048	Revitalizes Communities	High	Units	12	12
Worcester County	Countywide housing rehabilitation program	300,000	363,356	663,356	Revitalizes Communities	High	Units	18	18

Community Development Block Grant July 1, 2011 – June 30, 2012									
CDBG Awardee	Description	Award	Leverage	Total Project Cost	Consolidated Plan Performance Measure	Con Plan Priority	Ben. Type	Proposed Ben.	Proposed LMI Beneficiaries
Worcester County	Amendment - Acquisition of commercial kitchen equipment	98,000	0	98,000	Revitalizes Communities	High			

### **EMERGENCY SHELTER GRANTS**

Emergency Shelter Grants (ESG) funds are awarded to nonprofit agencies who apply through local governments for ESG moneys. Funding is on a competitive basis. The table below shows Emergency Shelter Grant awards that were made during the period July 1, 2011 through June 30, 2012:

EMERGENCY SOLUTIONS GRANTS PROGRAM July 1, 2011 - June 30, 2012									
Grantee	Service Provider	Maintenance & Operation	Services	Homeless Prevention	Staff	Admin	Total Awards	Total Project Cost	Leveraging
Allegany County	Human Resource Development	\$16,517	\$5,105	\$3,903	\$3,003	\$1,502	\$30,030	\$88,231	\$58,201
Allegany County	Family Crisis Resources Center, Inc (FCRC)	\$9,020	\$0	\$0	\$0	\$0	\$9,020	\$181,520	\$172,500
Annapolis, City of	Annapolis Area Ministries/ Lighthouse Shelter	\$30,500	\$0	\$0	\$0	\$0	\$30,500	\$178,950	\$148,450
Calvert County	Calvert County Health Dept./Abused Persons Shelter	\$9,455	\$4,575	\$0	\$1,220	\$0	\$15,250	\$355,048	\$339,798
Calvert County	Project Echo	\$10,980	\$4,270	\$0	\$0	\$0	\$15,250	\$195,000	\$179,750
Caroline County	St. Martin's Ministries	\$19,880	\$10,295	\$0	\$3,550	\$1,775	\$35,500	\$219,389	\$183,889

**EMERGENCY SOLUTIONS GRANTS PROGRAM**

July 1, 2011 - June 30, 2012

Grantee	Service Provider	Maintenance & Operation	Services	Homeless Prevention	Staff	Admin	Total Awards	Total Project Cost	Leveraging
Carroll County	Human Services Program of Carroll County, Inc.	\$9,500	\$15,000	\$0	\$3,000	\$500	\$28,000	\$163,347	\$135,347
Cecil County	Cecil County Men's Shelter	\$6,600		\$0	\$0	\$0	\$6,600	\$96,740	\$90,140
Cecil County	Meeting Ground	\$5,600	\$0	\$0	\$0	\$0	\$5,600	\$20,000	\$14,400
Cecil County	Department of Social Services	\$0	\$0	\$18,300	\$0	\$0	\$18,300	\$20,000	\$1,700
Charles County	Homeless Advocacy Association, Inc./ Robert J. Fuller Transitional House	\$8,400	\$2,800	\$0	\$0	\$0	\$11,200	\$227,556	\$216,356
Charles County	Catholic Charities of the Archdiocese of Washington/ Angel's Watch Regional Shelter	\$7,680	\$5,120	\$0	\$0	\$0	\$12,800	\$77,630	\$64,830
Dorchester County	Delmarva Community Services	\$9,720	\$10,080	\$10,800	\$3,600	\$1,800	\$36,000	\$210,000	\$174,000
Frederick, City of	City of Frederick Community Action Agency	\$11,500	\$0	\$0	\$0	\$0	\$11,500	\$110,975	\$99,475
Frederick, City of	Religious Coalition for Emergency Human Needs, Inc/ Cold Weather Shelter	\$7,200	\$1,800	\$0	\$0	\$0	\$9,000	\$127,000	\$118,000
Frederick County	Advocates for Homeless Families, Inc.	\$4,182	\$3,034	\$984	\$0	0	\$8,200	\$43,000	\$34,800
Frederick County	Heartly House, Inc.	\$15,250	\$0	\$0	\$0	0	\$15,250	\$60,803	\$45,553
Garrett County	Garrett County Community Action Committee, Inc.	\$23,000	0	\$0	\$0	\$0	\$23,000	\$50,000	\$27,000
Harford County	Alliance, Inc.			\$990			\$990	\$,40,000	

EMERGENCY SOLUTIONS GRANTS PROGRAM

July 1, 2011 - June 30, 2012

Grantee	Service Provider	Maintenance & Operation	Services	Homeless Prevention	Staff	Admin	Total Awards	Total Project Cost	Leveraging
Harford County	Associated Catholic Charities/ Anna's House	\$2,550	\$	\$0	\$0	\$0	\$2,550	\$54,543	\$51,993
Harford County	Harford County Department of Social Services	0	\$0	\$4,080	\$0	\$0	\$4,080	\$22,000	\$17,920
Harford County	Homecoming Project	\$5,060	\$0	\$0	\$0	\$0	\$5,060	\$71,100	\$66,040
Harford County	Faith Communities	\$3,360	\$0	\$1,120	\$0	\$0	\$4,480	\$38,000	\$33,520
Harford County	Harford Family House, Inc.	\$1,380	\$0	\$0	\$0	\$0	\$1,380	\$17,600	\$16,220
Harford County	Harford County Community Action Agency, Inc.	0	\$4,140	\$	\$	\$0	\$4,140	\$20,125	\$15,985
Harford County	Sexual Assault/Spousal Abuse	\$2,800	0	\$0	\$0	\$0	\$2,800	\$20,125	\$17,325
Howard County	Department of Citizen Services/ Grassroots Crisis Intervention Center, Inc./ Randy Sands Men's Shelter	\$5,400	\$0	\$0	\$0	\$0	\$5,400	\$135,600	\$130,200
Howard County	Domestic Violence Center of Howard County, Inc./ Safehouse	\$3,600	\$0	\$0	\$0	\$0	\$3,600	\$70,052	\$66,452
Howard County	CAC of Howard County	\$5,400					\$5,400	\$50,000	\$44,600
Kent County	Samaritan Group, Inc.	\$2,579	\$		\$670	\$101	\$3,350	\$34,100	\$30,750
Kent County	Department of Social Services			\$10,888			\$10,888	\$32,000	\$21,112
Queen Anne's County	Queen Anne's County Christian Assistance	\$6,955	\$3,478	\$0	\$1,159	0	\$11,592	\$107,000	\$95,408
Salisbury, City of	Diakonia, Inc.	\$10,250	\$0	\$0	\$0	\$0	\$10,250	\$25,000	\$14,750

**EMERGENCY SOLUTIONS GRANTS PROGRAM**

July 1, 2011 - June 30, 2012

Grantee	Service Provider	Maintenance & Operation	Services	Homeless Prevention	Staff	Admin	Total Awards	Total Project Cost	Leveraging
Salisbury, City of	Samaritan Ministries	\$10,250	\$0	\$0	\$0	\$0	\$10,250	\$39,400	\$29,150
Salisbury, City of	Village of Hope	\$10,250	\$0	\$0	\$0	\$0	\$10,250	\$127,659	\$117,409
Salisbury, City of	Second Chance Help of	\$6,412		\$0	\$713	\$0	\$7,125	\$39,400	\$32,275
Somerset County	Somerset Comm. For the Homeless(DSS)	\$20,100		\$0	\$	\$0	\$20,100	\$42,768	\$22,668
Somerset County	Seton Center w/ Catholic Charities	\$6,700	\$6,700				\$13,400		
St. Mary's County	Department of Social Services	\$0	\$0	\$3,050	\$0	\$0	\$3,050	\$100,903	\$97,853
St. Mary's County	Catholic Charities of the Archdiocese of Washington/ Angel's Watch Regional Shelter	\$5,884	\$1,038	\$0	\$0	\$0	\$6,922	\$188,532	\$181,610
St. Mary's County	Three Oaks Shelter, Inc.	\$7,469	\$3,735	\$1,417	0	\$257	\$12,878	\$100,000	\$87,122
St. Mary's County	Leah's House	\$2,632	\$1,680	\$1,288	\$0	\$0	\$5,600	\$77,630	\$72,030
Talbot County	Neighborhood Service Center, Inc.	\$10,272	\$6,848	\$2,283	\$2,283	\$1,140	\$22,826	\$151,008	\$128,182
Wash. County	Washington County Community Action Council, Inc.	\$16,750	\$0	\$0	\$0	\$0	\$16,750	\$93,450	\$76,700
Wash. County	Religious Effort to Assist and Care for the Homeless,	\$4,858	\$0	\$0	\$0	\$0	\$4,858	\$63,700	\$58,842

EMERGENCY SOLUTIONS GRANTS PROGRAM July 1, 2011 - June 30, 2012									
Grantee	Service Provider	Maintenance & Operation	Services	Homeless Prevention	Staff	Admin	Total Awards	Total Project Cost	Leveraging
	Inc. (REACH)								
Wash. County	CASA, Inc.	5700	\$0	\$0	\$0	\$0	\$5,700	\$75,591	\$69,891
Wash. County	St. John's Shelter for the Homeless, Inc.	\$4,109	\$309	\$0	\$0	\$0	\$4,418	\$31,600	\$27,182
Worcester County	Diakonia, Inc.	\$24,600	\$0	\$0	\$0		\$24,600	\$89,500	\$64,900
Worcester County	Samaritan Ministries, Inc.	\$10,540	\$1,860	\$0	\$0		\$12,400	\$127,659	\$115,259
<b>TOTAL</b>		<b>\$400,844</b>	<b>\$91,867</b>	<b>\$59,103</b>	<b>\$19,198</b>	<b>\$7,075</b>	<b>\$578,087</b>	<b>\$4,471,234</b>	<b>\$3,907,537</b>

### **HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)**

During the period July 1, 2011 through June 30, 2012, the State utilized \$9,821,228 in HOME funds. These funds were used for 115 loans, totaling 154 HOME-assisted units, at an average cost of \$63,774.21 per unit. These consisted of \$6,301,316 for rental housing projects, \$536,841 for homeownership assistance, \$2,558,571 for homeowner rehabilitation assistance, \$237,000 for 2 rehabilitation loans in St. Mary's County, \$37,500 for Tenant Based Rental Assistance in Carroll County and \$150,000 for 2 Group Home Acquisitions.

There were 74 households who received direct homeownership assistance during the reporting period. HOME funds were primarily used as soft second mortgages to help make home purchases affordable, as well as for down payment and closing cost assistance. The table below provides information on direct homebuyer assistance financed by the HOME program:

HOME- HOMEBUYER ASSISTANCE ACTIVITY July 1, 2011 - June 30, 2012		
County	Number of Loans	Amount of HOME Funds
Baltimore	19	\$51,000
Cecil	5	\$94,711

Frederick	34	\$231,650
Garrett	5	\$126,480
Montgomery	8	24,000
St. Mary's	1	\$3,000
Talbot	2	\$6,000
<b>TOTAL</b>	<b>74</b>	<b>\$536,841</b>

Homeowner rehabilitation continued to play a major role in the HOME Program. There were 31 rehabilitation loans made to assist 31 households during the reporting period from the HOME Program funded Special Targeted Applicant Rehabilitation (STAR) program. The STAR program assisted households who could not qualify for other State loan programs.

The table below provides information on Single Family Activity and includes Homeowner rehabilitation and small rental property assistance activities financed by the HOME program:

<b>HOME – SINGLE FAMILY REHABILITATION</b>		
July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Units</b>	<b>Financing</b>
Anne Arundel	4	\$484,083
Baltimore County	1	\$33,498
Calvert	1	\$109,289
Caroline	1	\$93,690
Carroll	4	\$157,298
Dorchester	4	\$360,964
Harford	1	\$58,450
Howard	2	\$56,075
Kent	2	\$269,144
Montgomery	1	\$28,926
Prince George's	2	\$29,909
Queen Anne's	2	\$183,519
Somerset	4	\$329,338
Talbot	2	\$54,390
Washington	1	\$117,990

<b>HOME – SINGLE FAMILY REHABILITATION</b> July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Units</b>	<b>Financing</b>
Worcester	2	\$192,008
<b>TOTAL</b>	<b>34</b>	<b>\$2,558,571</b>

Under the rental housing programs, two multi-family rental housing projects received a total award of \$4,929,783 in HOME funds for 138 units of which 40 are HOME-assisted units.

<b>HOME MULTI-FAMILY PROJECTS</b> July 1, 2011 - June 30, 2012						
<b>Project Name</b>	<b>County</b>	<b>Total Costs</b>	<b>HOME Funds</b>	<b>Total Units</b>	<b>HOME Units</b>	<b>Occupancy Type</b>
Homes at Elkton	Cecil	\$12,858,579	\$3,000,000	98	25	Family/Elderly
Richmond Hill Senior	Cecil	\$7,850,585	\$1,929,783	40	15	Elderly
<b>TOTAL</b>		<b>\$20,709,164</b>	<b>4,929,783</b>	<b>138</b>	<b>40</b>	

### **Emergency Mortgage Assistance (EMA) Program**

The Emergency Mortgage Assistance program is administered by DHCD through an award from the Department of Housing and Urban Development (HUD) regulated by the Dodd-Frank Act of 2010. Maryland was one of five states that were deemed to have a substantially similar program in place and thereby qualified to run the program through their existing structure. The program is designed to assist homeowners who are unemployed or have a reduced income as a result of the economy or a medical condition, and who are in imminent danger of losing their homes to foreclosure. DHCD received an initial award of \$39,682,534; which was later increased by \$10 million. The program was launched on April 1, 2011 and the entire program funding was obligated by September 30, 2011. The information below is for EMA loans closed during the reporting period, additional EMA loans were made and reported in last year's Performance Report.

<b>EMERGENCY MORTGAGE ASSISTANCE (EMA) LOANS</b> 7/1/2011 – 6/30/2012		
<b>COUNTY</b>	<b>NO. OF LOANS</b>	<b>ORIGINAL LOAN AMOUNTS</b>
ALLEGANY	5	\$80,271
ANNE ARUNDEL	79	\$2,588,056
BALTIMORE CITY	205	\$4,909,194
BALTIMORE COUNTY	156	\$5,126,442
CALVERT	11	\$309,220

**EMERGENCY MORTGAGE ASSISTANCE (EMA) LOANS**

7/1/2011 – 6/30/2012

COUNTY	NO. OF LOANS	ORIGINAL LOAN AMOUNTS
CAROLINE	8	\$245,131
CARROLL	20	\$819,713
CECIL	15	\$464,563
CHARLES	60	\$2,094,395
DORCHESTER	7	\$149,951
FREDERICK	45	\$1,599,944
GARRETT	1	\$26,776
HARFORD	44	\$1,494,948
HOWARD	33	\$1,343,593
KENT	4	\$62,828
MONTGOMERY	89	\$3,170,899
PRINCE GEORGE'S	330	\$12,100,771
QUEEN ANNE'S	8	\$282,145
ST. MARY'S	4	\$102,239
SOMERSET	3	\$71,247
TALBOT	9	\$323,071
WASHINGTON	12	\$373,919
WICOMICO	19	\$388,633
WORCESTER	3	\$58,695
<b>TOTAL</b>	<b>1,170</b>	<b>\$38,186,644</b>

**Energy Efficiency and Conservation Block Grant - Competitive**

DHCD's Be SMART program, funded through a competitive grant DHCD received from the US Department of Energy's Better Buildings program, provides increased comfort, safety and affordability to buildings in Maryland through energy efficiency improvements. DHCD is working with local partners and contractors to provide financing for energy efficiency improvements throughout the State. Through the Be SMART program, financing is available for the purchase and installation of equipment and materials for energy efficiency measures. Such items include, but are not limited to ENERGY STAR qualified: HVAC systems, insulation, windows, draft stopping and duct sealing, appliances and fixtures, and water heating equipment. These improvements are expected to result in energy savings of 15-30%. This translates to significantly lower energy bills for consumers, more comfortable buildings and reduced consumption of fossil fuels. Funding can be used for both multifamily housing, as well as business energy efficiency improvements. This new program financed two multifamily projects in FY 2012 that also received other State funds. Halpine Hamlet received \$422,353 and Homes at Elkton received \$306,776.

### Federal Low-Income Housing Tax Credits

DHCD's Division of Development Finance (a.k.a. CDA) operates the Federal Low-Income Housing Tax Credit program for the State of Maryland. Competitive credits are awarded on a competitive basis along with other rental housing programs in a coordinated uniform application. Non-competitive tax credits are awarded for projects that also include tax-exempt bonds. The Tax Credits themselves are awarded on a calendar year basis. Final tax credit determinations are made at the end of a calendar year. Therefore, the tables below cover the final awards as of December 31, 2011 that falls into the period covered in this performance report.

COMPETITIVE FEDERAL LOW-INCOME HOUSING TAX CREDITS Calendar Year 2011						
Project Name	Sponsor Name	County	Tax Credit	LI Units	Occupancy	Total Project Costs
Perryman Station	Stavrou Associates	Harford	\$107,201	80	Elderly	\$14,055,679
Uplands Rental Phase I	Pennrose Properties	Baltimore City	\$1,374,120	77	Family	\$20,644,055
Elkton Senior Housing	MBI Development Company	Cecil	\$588,235	60	Elderly	\$11,800,078
M on Madison	HTA Development LLC	Baltimore City	\$1,178,440	74	Family	\$16,967,348
Cumberland Family Homes II	PIRHL Developers LLC	Allegany	\$446,710	25	Family	\$17,807,949
Victory Woods	Victory Housing, Inc.	St. Mary's	\$1,300,000	75	Elderly	\$12,485,305
Cottages at Berlin	SIS Properties LLC	Worcester	\$463,633	40	Elderly	\$6,008,089
Homes at Elkton	Homes for America, Inc.	Cecil	\$529,529	98	Family	\$12,858,579
Marley Meadows	Conifer Realty LLC	Anne Arundel	\$647,821	36	Family	\$10,838,294
North Avenue Gateway	The Woda Group LLC	Baltimore City	\$1,221,010	64	Family	\$16,007,878
Mid Pine Estates	PIRHL Developers LLC	Somerset	\$764,961	36	Family	\$9,719,188
Villages at Highland Commons	Shelter Development LLC	Harford	\$516,781	22	Family	\$8,133,545
Lillian Jones	French Development Company	Baltimore City	\$1,678,000	73	Family	\$16,118,367
Obery Court Phase II	Pennrose Properties LLC	Anne Arundel	\$876,198	63	Family	\$13,650,990
Richmond Hill Senior	IHDC of MD Eastern Shore, Inc.	Cecil	\$492,091	40	Elderly	\$7,850,588
Village Crossroads Housing	Associated Catholic Charities	Baltimore	\$346,214	94	Elderly	\$14,310,151
<b>TOTAL</b>			<b>\$12,530,944</b>	<b>957</b>		<b>\$209,256,083</b>

**Non-competitive Federal Low-Income Housing Tax Credits  
Calendar Year 2011**

Project Name	Sponsor name	County	Tax Credit	LI Units	Occupancy	Total Project Costs
Argent Apartments	Blair Park Affordable LLC	Montgomery	\$1,504,011	96	Family	\$51,650,112
Park View at Randallstown	Shelter Development	Baltimore	\$217,637	102	Elderly	\$10,037,732
Park View at Rosedale	Shelter Development	Baltimore	\$224,375	108	Elderly	\$10,417,599
Union Rowe Apartments	Greater Baltimore AHC, Inc.	Baltimore City	\$286,663	72	Family	\$8,711,970
Edinburgh House	Montgomery Housing Partnership	Montgomery	\$215,620	45	Family	\$13,323,292
Glenarden Woods Apartments	National Foundation for Affordable Housing Solutions	Prince George's	\$390,405	153	Family	\$17,975,531
Glenreed Apartments	National Foundation for Affordable Housing Solutions	Prince George's	\$306,546	104	Family	\$13,284,505
Galaxy	RST Development LLC	Montgomery	\$383,837	195	Family	\$16,972,025
Halpine Hamlet	Montgomery Housing Partnership	Montgomery	\$233,480	67	Family	\$13,123,837
Hilltop Phase I	Howard County Housing Commission	Howard	\$463,177	198	Family	\$38,731,634
Park View at Fullerton	Shelter Development LLC	Baltimore	\$216,180	90	Elderly	\$9,686,992
<b>TOTAL</b>			<b>\$4,441,931</b>	<b>1230</b>		<b>\$203,915,229</b>

**DOE and State Funding for Energy Efficiency**

As noted earlier in this report, DHCD received pass through funding from the Maryland Energy Administration to make multi-family rental housing more energy efficient. Funding passed through by MEA came from both DOE and State programs. The following chart lists the Multifamily rental housing projects that received MEEHA only funding in FY 2012 to improve energy efficiency (other developments also received funding for energy efficiency, but are not reported here in order to prevent double counting of units):

**MF Projects with MEEHA Only Funding**

July 1, 2011 - June 30, 2012

PROJECT NAME	COUNTY LOCATION	UNITS	OCCUPANCY	FINANCING
St. Charles Apartments	Baltimore	24	Elderly	\$49,149
Glen Forest apartments	Anne Arundel	100	Elderly	\$168,620

Oakleaf Villas	Anne Arundel	12	Family	\$60,327
<b>TOTAL</b>		<b>136</b>		<b>\$278,096</b>

### **WEATHERIZATION FUNDS**

The Weatherization Assistance Program (WAP), operated by DHCD, helps eligible low-income households through the installation of energy conservation materials in their dwelling units. These measures both reduce the consumption of energy and the cost of maintenance for these homes. Priority is given to homeowners who may be elderly, disabled, families with children, and/or have the highest energy consumption. Eligible renters may apply and will be given due consideration in accordance with WAP's Rental Property Investment Program.

Federal regulations limit the amount of WAP service each dwelling unit can receive. The table below shows weatherization activities undertaken by DHCD with DOE ARRA Weatherization funds from the period July 1, 2011 through June 30, 2012. The weatherization funds are matched and/or leveraged with other funds, including Maryland Energy Assistance Program (MEAP) funds and Washington Gas funds as shown in the right hand column.

<b>ARRA WEATHERIZATION FUNDS</b> July 1, 2011 - June 30, 2012			<b>LEVERAGED</b> <b>FUNDS w/ ARRA JOBS</b>
<b>County</b>	<b>Number of Units</b>	<b>ARRA Amount</b>	<b>Leveraged Amount</b>
Allegany	96	\$676,886	\$98,287
Anne Arundel	167	\$1,269,736	\$58,862
Baltimore City	2,602	\$7,003,785	\$62,105
Baltimore County	380	\$1,790,876	\$136,177
Calvert	37	\$173,661	\$10,530
Caroline	25	\$150,165	\$20,518
Carroll	45	\$222,132	\$35,896
Cecil	40	\$236,721	\$8,987
Charles	52	\$210,808	\$16,656
Dorchester	18	\$99,992	\$11,442
Frederick	156	\$472,339	\$38,597
Garrett	164	\$1,438,096	\$60,415
Harford	71	\$476,685	\$27,959
Howard	174	\$558,452	\$51,728
Kent	12	\$67,864	\$6,244

ARRA WEATHERIZATION FUNDS July 1, 2011 - June 30, 2012			LEVERAGED FUNDS W/ ARRA JOBS
County	Number of Units	ARRA Amount	Leveraged Amount
Montgomery	737	\$2,750,827	\$41,631
Prince George's	426	\$2,292,852	\$80,465
Queen Anne's	8	\$47,875	\$10,973
Saint Mary's	107	\$612,332	\$2,105
Somerset	45	\$311,994	\$14,980
Talbot	12	\$64,357	\$3,594
Washington	221	\$1,558,913	\$235,857
Wicomico	47	\$253,769	\$22,971
Worcester	62	\$416,690	\$24,893
<b>TOTAL</b>	<b>5,704</b>	<b>\$23,157,807</b>	<b>\$1,081,872</b>

DHCD did not use non-ARRA DOE Weatherization funds during the SFY 2012. The unspent DOE Regular Program funds are being carried over for use in SFY 2013 since the focus of activity was concentrated on utilizing ARRA Weatherization funds.

#### **SECTION 8 PROGRAMS**

The Section 8 Housing Choice Voucher Program is a rental assistance program that subsidizes the rent of lower-income families through the use of federal funds. The Maryland Department of Housing and Community Development (DHCD) administers the Section 8 program in many of the State's smaller communities or counties that do not have the capacity or choose not to operate the program on their own. Persons who hold Vouchers may use them anywhere in the State.

SECTION 8 – HOUSING CHOICE VOUCHER July 1, 2011 - June 30, 2012		
County	Units	Financing
Allegany	548	\$2,623,773
Caroline	151	\$1,063,956
Dorchester	329	\$2,275,851
Frederick	424	\$5,586,042
Garrett	153	\$634,402
Kent	44	\$309,979

<b>SECTION 8 – HOUSING CHOICE VOUCHER</b>		
July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Units</b>	<b>Financing</b>
Somerset	137	\$884,580
Talbot	63	\$485,153
Wicomico	177	\$1,227,340
Worcester	179	\$1,306,068
<b>TOTAL</b>	<b>2,205</b>	<b>\$16,397,144</b>

The Section 8 Moderate Rehabilitation Program also provides rental assistance that subsidizes the rent of lower-income families. However, unlike the Housing Choice Voucher Program, assistance under the Moderate Rehabilitation Program is restricted to housing rehabilitated with financing under the Section 8 Moderate Rehabilitation Program.

<b>SECTION 8 – MODERATE REHABILITATION</b>		
July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Units</b>	<b>Financing</b>
Allegany County	4	\$13,926
Baltimore City	4	\$3,615
Frederick County	20	\$139,663
Garrett County	33	\$172,876
<b>TOTAL</b>	<b>61</b>	<b>\$330,080</b>

### **STATE FUNDED HOUSING ACTIVITIES**

#### **HOMEOWNERSHIP**

The State's Homeownership Programs made a total of 1450 homeownership loans during the reporting period. Loans were made for home mortgages as well as down payment and closing cost assistance. Loans made under the Maryland Mortgage Program, Maryland Home Financing Program (MHFP), and Homeownership for Individuals with Disabilities program were for home mortgages. The Down Payment and Settlement Expense Loan Program (DSELP) is used to help buyers with their down payment and closing costs. The Maryland Mortgage Program (MMP) is the State's largest homeownership program. Funding for the program comes through the issuance of tax-exempt bonds and through Mortgage Backed Securities (MBS).

MARYLAND MORTGAGE PROGRAM July 1, 2011 - June 30, 2012		
County	Loans	Financing
Allegany	8	\$695,328
Anne Arundel	135	\$27,003,932
Baltimore City	202	\$26,580,265
Baltimore County	255	\$39,107,084
Calvert	16	\$3,623,703
Caroline	2	\$252,974
Carroll	11	\$2,222,874
Cecil	9	\$1,316,741
Charles	88	\$17,843,704
Dorchester	4	\$437,176
Frederick	38	\$6,638,372
Harford	124	\$21,915,013
Howard	22	\$5,472,818
Montgomery	53	\$11,779,713
Prince George's	363	\$68,592,468
Queen Anne's	7	\$1,226,950
Saint Mary's	29	\$5,823,267
Somerset	1	\$151,070
Talbot	2	\$310,515
Washington	60	\$7,778,834
Wicomico	20	\$2,806,838
Worcester	1	\$148,121
<b>TOTAL</b>	<b>1,450</b>	<b>\$251,727,760</b>

The Homeownership for Individuals with Disabilities Program is a set-aside within the MHFP program. Homeownership loans are made to individuals with disabilities or families with a disabled child who are otherwise unable to obtain mortgages due to lack of credit history or for other reasons related to their disability status. Funding for this program is made available through State appropriations blended with funds from tax-exempt bonds. Loans under this program have fixed interest rates based on the borrower's ability to repay with a 30-year term.

HOMEOWNERSHIP FOR INDIVIDUALS WITH DISABILITIES PROGRAM JULY 1, 2011 - JUNE 30, 2012		
County	Loans	Financing
Anne Arundel	4	\$875,118
Baltimore City	2	\$138,594
Baltimore	2	\$365,776
Charles	2	\$352,000
Dorchester	1	\$114,340
Prince George's	4	\$939,140
Washington	2	\$284,279
Wicomico	1	\$98,927
<b>TOTAL</b>	<b>18</b>	<b>\$3,168,174</b>

The Downpayment and Settlement Expense Program (DSELP) provides 0% deferred second mortgage loans to eligible homebuyers to help cover settlement expenses not covered by the first mortgage loan, which must be an MMP Loan. DSELP assists those borrowers who may not have sufficient assets to cover the payment of settlement expenses and any down payment required for the mortgage, as prescribed by the insurer/guarantor. The House Keys 4 Employees, Builder/Developer Incentive Program and the Community Partners Incentive Program are partner match programs that use DSELP funds to match up to \$2,500 in contributions made by one of the participating partners and are provided in the form of a 0% deferred loan. Smart Keys 4 Employees, a Smart Growth enhancement to the House Keys 4 Employees Program, which allows borrowers to receive additional matching funds from DHCD if the property the borrower is purchasing is located in a Priority Funding Area and the property is within 10 miles of the borrower's place of employment or within the boundaries of the local jurisdiction (county), provides an "across the board bonus" of \$1,000 for borrowers that meet the criteria for the Smart Keys 4 Employees Program. In addition to these partner match programs, DHCD, in support of the State of Maryland's effort to welcome families who are relocating to Maryland as a result of the 2005 Base Realignment and Closure (BRAC), created the BRAC Match Program. The BRAC Match Program enables eligible homebuyers who are using a Maryland Mortgage Program loan to purchase a home to receive an additional \$2,500 for down payment and/or closing cost assistance. The \$2,500 is available in the form of a 0%, deferred loan.

DOWNPAYMENT & SETTLEMENT EXPENSE LOAN PROGRAM July 1, 2011 - June 30, 2012		
County	Loans	Financing
Allegany	8	\$45,000
Anne Arundel	129	\$719,000

<b>DOWNPAYMENT &amp; SETTLEMENT EXPENSE LOAN PROGRAM</b>		
July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Loans</b>	<b>Financing</b>
Baltimore City	199	\$1,156,769
Baltimore County	236	\$1,274,400
Calvert	15	\$87,500
Caroline	2	\$10,000
Carroll	10	\$50,000
Cecil	9	\$47,500
Charles	86	\$491,000
Dorchester	3	\$15,000
Frederick	38	\$201,000
Harford	122	\$644,489
Howard	22	\$115,000
Montgomery	52	\$272,500
Prince George's	361	\$1,883,250
Queen Anne's	7	\$35,000
Saint Mary's	29	\$175,000
Somerset	1	\$5,000
Talbot	1	\$5,000
Washington	60	\$314,676
Wicomico	19	\$96,159
Worcester	1	\$5,000
<b>TOTAL</b>	<b>1,410</b>	<b>\$7,648,243</b>

As noted above, both the Homeownership for Individuals with Disabilities Program and DSELP are set-asides under the Maryland Home Financing Program (MHFP). MHFP sometimes makes direct first mortgage loans to borrowers outside of these programs; however, no direct MHFP loans were made this year during the reporting period.

### **SPECIAL LOANS**

The Special Loans programs provide loans for both the rehabilitation of single family properties, as well as for the provision of group homes for persons with disabilities. The rehabilitation loan programs include Maryland Housing Rehabilitation Program (MHRP)

loans and Indoor Plumbing Program (IPP) Loans, as well as Weatherization, Lead Paint Abatement loans and grants addressed elsewhere in this report.

The Group Home Financing Program (GHFP) and the Special Housing Opportunities Program (SHOP) work in partnership with the Maryland Department of Aging, as well as the Mental Hygiene Administration and Developmental Disabilities Administration of the Department of Health and Mental Hygiene to provide safe, decent affordable housing to some of the State's most vulnerable citizens. GHFP loans are financed with State appropriations, SHOP loans are financed through bond funding. Both sources of funding may be used in the same project. The table below shows non-duplicative homes and beds financed in the past year for these programs:

<b>GHFP AND SHOP PROGRAMS</b>					
July 1, 2011 - June 30, 2012					
<b>County</b>	<b># GHFP Loans</b>	<b>GHFP Amount</b>	<b># SHOP Loans</b>	<b>SHOP Amount</b>	<b># of beds</b>
Anne Arundel	2	\$761,331	2	\$192,600	7
Baltimore County	3	\$447,161	3	\$232,500	10
Charles	1	\$146,841	1	\$80,390	4
Montgomery	1	\$173,149	1	\$179,500	3
Prince George's	1	\$103,861	1	\$204,000	3
St. Mary's	1	\$82,287	1	\$197,200	4
<b>TOTAL</b>	<b>9</b>	<b>\$1,714,630</b>	<b>9</b>	<b>\$1,086,190</b>	<b>31</b>

The purpose of the Maryland Housing Rehabilitation Program is to preserve and improve single family properties and one-to-four unit rental properties. The table below shows homes rehabilitated under the MHRP-SF program during the reporting period, including the set-aside for the Accessible Homes for Seniors program.

<b>MARYLAND HOUSING REHABILITATION PROGRAM</b>			
July 1, 2011 - June 30, 2012			
<b>Jurisdiction</b>	<b>Loans</b>	<b>Units</b>	<b>Amount</b>
Allegany County	2	2	\$33,323
Anne Arundel County	18	18	\$1,292,850
Baltimore City	17	17	\$666,983
Baltimore County	14	14	\$570,852
Caroline County	4	4	\$126,564
Carroll County	2	2	\$58,489
Charles County	3	3	\$76,735

<b>MARYLAND HOUSING REHABILITATION PROGRAM</b>			
July 1, 2011 - June 30, 2012			
<b>Jurisdiction</b>	<b>Loans</b>	<b>Units</b>	<b>Amount</b>
Dorchester County	2	2	\$60,264
Frederick County	6	6	\$190,683
Harford	2	2	\$231,647
Howard	2	2	\$125,534
Prince George's County	2	2	\$151,300
Queen Anne's	3	3	\$62,330
Talbot County	5	6	\$243,354
Washington County	2	2	\$35,550
Wicomico County	4	4	\$105,787
Worcester County	1	1	\$35,000
<b>TOTAL</b>	<b>89</b>	<b>90</b>	<b>\$4,067,245</b>

The purpose of the Indoor Plumbing Program (IPP) is to provide indoor plumbing in residential properties. Loans may be made for single-family, owner-occupied houses and rental properties with one to 100 units, which do not have indoor plumbing. Properties must be structurally sound.

<b>INDOOR PLUMBING PROGRAM</b>			
July 1, 2011 - June 30, 2012			
<b>Jurisdiction</b>	<b>Loans</b>	<b>Units</b>	<b>Amount</b>
Calvert	2	2	\$15,240
Caroline	2	2	\$7,347
Carroll	1	1	\$49,176
Frederick	1	1	\$33,566
Talbot	2	2	\$29,998
Wicomico	2	2	\$11,025
Worcester	2	2	\$15,358
<b>TOTAL</b>	<b>12</b>	<b>12</b>	<b>\$161,710</b>

NOTE: The Special Loans Programs also finance lead paint hazard control activities. Those activities are discussed elsewhere in the APR in accordance with HUD regulations.

**RENTAL HOUSING**

DHCD produces rental housing through the use of numerous resources. In addition to operating the Federal Low-Income Housing Tax Credit Program and other federal sources to finance affordable rental housing, the Department also runs numerous State-funded programs for this purpose.

Under the MF-Bond program, DHCD issues tax-exempt and taxable mortgage revenue bonds to finance the acquisition, rehabilitation or construction of affordable multifamily rental housing in priority funding areas. The Partnership Program provides loans of up to \$75,000 per unit or the actual cost of the project (less the cost of the land) not to exceed \$2 million for rental housing that will be occupied by households with incomes below 50% of the statewide median. Local governments must provide the site and any necessary off-site improvements. State funds may be used for the development costs of building acquisition, construction or rehabilitation of buildings on site. Under a revision to the program during FY07, partnership funds may also now be used to finance rental units to disabled households in properties owned by non-governmental entities. The Rental Housing Fund, which includes the Rental Housing Production and Elderly Rental Housing Programs, provides loans of up to \$2.0 million for the development of affordable multi-family housing in priority funding areas. Funds are awarded competitively on a semi-annual basis in conjunction with federal low-income housing tax credits and HOME funds.

DHCD financed 775 units of rental housing using State and Bond funds during the reporting period. These projects utilized \$20,471,531 in State financing and \$39,000,000 in FHA Risk Share financing. Note that this does not include the project funded under the Transitional Housing Grant Program which is discussed below.

STATE FUNDED RENTAL HOUSING DEVELOPMENTS					
July 1, 2011 - June 30, 2012					
Program	Project	Location	Units	Occupancy	Financing
ERHP	Cottages at Berlin	Worcester	40	Elderly	\$2,000,000
MBP-TE MHRP-MF	Halpine Hamlet	Montgomery	67	Families	\$6,595,000 \$500,000
MBP-TE PRHP	Hilltop Phase I	Howard	198	Family	\$27,305,000 \$3,000,000
MBP-TE	Park View at Fullerton	Baltimore	90	Elderly	\$5,10,000
PRHP	CHA Bailey 2	Baltimore City	7	Special Needs	\$525,000
RHPP	Uplands Rental Phase I	Baltimore City	104	Family	\$2,000,000
RHPP	Obery Court Phase II	Anne Arundel	63	Family	\$3,657,500
RHPP	Marley Meadows	Anne Arundel	36	Family	\$2,969,208

STATE FUNDED RENTAL HOUSING DEVELOPMENTS					
July 1, 2011 - June 30, 2012					
Program	Project	Location	Units	Occupancy	Financing
RHPP	Mid Pine Estates	Somerset	36	Family	\$3,383,000
RHPP	North Avenue Gateway	Baltimore City	64	Family	\$2,636,823
RHPP	Foxtail Crossing II	Dorchester	48	Family	\$1,400,000
RHPP	Villages at Highland Commons	Harford	22	Family	\$3,500,000
<b>TOTAL</b>			<b>775</b>		<b>\$59,471,531</b>

In addition to the above projects, the Rental Housing Programs also operate the Shelter and Transitional Housing Grant Program. This program provides grants to construct emergency shelters and/or transitional housing for the homeless. During the past year, this program financed one project listed below: (One other project has been encumbered but will close in FY 2012 and be reported next year)

SHELTER AND TRANSITIONAL HOUSING GRANT PROGRAM					
July 1, 2011 - June 30, 2012					
Applicant	Project Name	County	Units	Grant Amount	Total Project Cost
House of Freedom, Inc.	House of Freedom Phase III	Baltimore City	150	\$740,838	\$1,940,838
<b>TOTAL</b>			<b>150</b>	<b>\$740,838</b>	<b>\$1,940,838</b>

### TENANT ASSISTANCE

The purpose of the Rental Allowance Program (RAP) is to provide grants to local governments to provide flat rent subsidies to extremely low-income families on a short term basis.

RENTAL ALLOWANCE PROGRAM		
July 1, 2011 - June 30, 2012		
County	Units	Financing
Allegany County	25	\$40,000
Anne Arundel	28	\$83,824
Baltimore City	73	\$354,889
Baltimore County	40	\$177,649

<b>RENTAL ALLOWANCE PROGRAM</b>		
July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Units</b>	<b>Financing</b>
Calvert County	12	\$40,000
Caroline County	18	\$70,000
Carroll County	16	\$30,000
Cecil County	14	\$70,000
Charles County	9	\$70,000
Dorchester County	28	\$60,000
Frederick County	12	\$80,000
Garrett County	34	\$10,000
Harford County	6	\$40,000
Howard County	13	\$80,000
Kent County*	0	\$40,000
Montgomery County	42	\$261,964
Prince George's County	49	\$244,573
Queen Anne's County	16	\$40,000
Somerset County	21	\$50,000
St. Mary's County	14	\$20,000
Talbot County	23	\$70,000
Washington County	18	\$40,000
Wicomico County	16	\$30,000
Worcester County	19	\$70,000
<b>Totals</b>	<b>546</b>	<b>\$2,072,899</b>

\* Kent County received advance funding.

### **MARYLAND AFFORDABLE HOUSING TRUST**

The Maryland Affordable Housing Trust (MAHT) is staffed by DHCD and is funded by a portion of the interest earned on trust accounts held by Title Insurers or Title Insurance Agents. MAHT funds can be used for acquisition, rehabilitation or new construction of affordable housing, operating expenses for specific affordable housing developments, capacity building, and providing project-specific supportive services to families and individuals. During the reporting period, MAHT made the following awards:

**Maryland Affordable Housing Trust**

July 1, 2011 - June 30, 2012

Name of Organization	County	Name of Project	Financing	Total Project Cost	Units
Cumberland Housing Alliance, Inc.	Allegany	Cornerstone Hill	\$90,000	\$7,898,052	3
Omni House, Inc.	Anne Arundel	Cromwell Fountain Condominiums	\$27,500	\$66,950	13
The Arc of the Central Chesapeake Region, Inc.	Anne Arundel	Arc Renovation/Accessibility Project	\$90,000	\$167,487	16
Chesapeake Neighbors, LLC	Anne Arundel and Talbot	Renovation/Accessibility Project	\$75,000	\$163,335	15
A Step Forward, Inc.	Baltimore City	A Step Forward Operating Expense Grant	\$47,700	\$106,000	26
Alliance, Inc.	Baltimore City	East Baltimore Residential Repairs	\$15,000	\$80,000	38
St. Ambrose Housing Aid Center, Inc.	Baltimore City	Scattered Site Energy Efficient and Sustaining Upgrades	\$94,590	\$359,400	52
St. Vincent de Paul of Baltimore, Inc.	Baltimore City	Cottage Avenue Community	\$65,000	\$254,642	15
Women's Housing Coalition, Inc.	Baltimore City	Repair of Jenkins House Dome	\$30,000	\$48,226	22
Southern Maryland Tri-County Community Action Committee, Inc.	Calvert	Courtyards at Fishing Creek II, aka Kellams Marina II Limited Partnership	\$48,071	\$146,142	not provided
Kuleana Gardens, Inc. / Prologue, Inc.	Carroll	Kuleana Gardens, Inc.	\$92,584	\$1,893,646	2
Wayfarer's House, Inc.	Cecil	George Porter House	\$14,865	\$14,865	8
Community Living, Inc.	Frederick	Young Place Rehab	\$38,000	\$51,900	3
Habitat for Humanity Susquehanna, Inc.	Harford	Habitat Home Build	\$15,000	\$275,000	1
iHomes, Inc.	Howard	Partnership Plus	\$132,000	\$761,000	8
Kent Center, Inc.	Kent	Miss Ida's House Energy Efficiency and Renovation Project	\$37,815	\$42,815	3
Habitat for Humanity of Montgomery County, MD, Inc.	Montgomery	Crocket Lane and Elby Street Rehabs	\$30,000	\$394,983	2

National Capital B'nai B'rith Assisted Housing Corporation	Montgomery	Edwards Building Rehabilitation	\$100,410	\$271,512	42
Rebuilding Together *Montgomery County, Inc.	Montgomery	Critical Needs Program	\$60,000	\$212,274	30
HIP Services, Inc. #1	Prince George's	Tenant Services	\$30,000	\$350,000	120
Habitat for Humanity of Washington County, Inc.	Washington	Concord Street and George Street	\$60,000	\$368,600	4
<b>TOTAL</b>			<b>\$1,193,535</b>	<b>\$13,926,829</b>	<b>423</b>

**NEIGHBORHOOD REVITALIZATION**

In addition to State-funded housing efforts, the State also operates numerous State funded programs that support community revitalization efforts. These programs include the Community Investment Tax Credit Program, Community Legacy Program, and Neighborhood BusinessWorks programs, among others.

**COMMUNITY INVESTMENT TAX CREDIT PROGRAM**

The Community Investment Tax Credit (CITC) program provides State tax credits to 501(c)(3) nonprofit organizations for projects located in or serving the residents of a Priority Funding Area. DHCD awards \$1 million of CITCs annually through a competitive application round. Nonprofit organizations utilize the tax credits as incentives for individuals and businesses to donate money, goods or real property to support operational and programmatic costs associated with specific, approved projects. Contributions of money, goods or real property worth \$500 or more are eligible for tax credits. Businesses and individuals that donate to qualified organization's approved project(s) can earn tax credits equal to 50% of the value of the money, goods or real property contribution. Any tax credits recaptured by the program are placed in a pool that can be accessed by nonprofit organizations that have exhausted their allocated credits. The following nonprofit organizations were awarded CITC tax credits during the reporting period:

<b>Community Investment Tax Credit Program July 1, 2011 – June 30, 2012</b>				
<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Young Men's Christian Association of Cumberland MD, Inc.</b>	YTeens After School Program	Allegany	Support the operation of the YTeens After School Program which provides activities, mentoring and developmental assistance to previously unsupervised youth during out-of-school hours.	\$20,000

**Community Investment Tax Credit Program  
July 1, 2011 – June 30, 2012**

<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Anne Arundel County Community Action Agency, Inc.</b>	On My Way To Work	Anne Arundel	Provide training, both classroom and experience-based, to up to 20 low income single heads of households for employment in the customer service industry.	\$20,000
<b>Innovative Learning, Inc./The Harbour School</b>	Harbour School's STEM For Special Students	Anne Arundel	Renovate classrooms to both wet and dry labs and purchase technology and lab equipment to make the classrooms more accessible for special needs students and advance participation in STEM fields.	\$10,000
<b>Partners in Care, Inc.</b>	Ride Partners - Senior Transportation Project	Anne Arundel	Provide transportation services for low-to-moderate income older adults unable to utilize public transportation and para-transit options.	\$5,000
<b>Carson Scholars Fund, Inc.</b>	Ben Carson Reading Room	Baltimore	Assist Baltimore City schools in purchasing books and furniture to create an environment that encourages independent leisure reading.	\$5,000
<b>Community Assistance Network, Inc.</b>	Emergency Food Pantry	Baltimore	Support outreach efforts to raise awareness and increase participation in the food pantry.	\$5,000
<b>Joblink of Maryland, Inc.</b>	Website Update	Baltimore	Modify the current website to be more user-friendly/useful for job seekers and increase participation by potential employers.	\$10,000
<b>North Point Village Civic Association, Inc.</b>	North Point Village Enhancements	Baltimore	Construct a community center (North Point Boulevard & St. Gregory Drive) and a fishing pier (Battle Grove Park).	\$15,000
<b>The Maryland Food Bank, Inc.</b>	Building Capacity to End Hunger in Baltimore City	Baltimore	Renovate and expand the central facility to increase food distribution to individuals and families in need in Baltimore City.	\$30,000
<b>Vehicles for Change</b>	Increasing Capacity and Efficiency	Baltimore	Hire a fulltime Marketing Director and purchase a new integrated accounting software package.	\$15,000
<b>AIDS Interfaith Residential Services, Inc.</b>	City Steps Program	Baltimore City	Support the operations of the City Steps Programs to provide housing and health and wellness resources for homeless youth ages 14-24.	\$10,000

Community Investment Tax Credit Program July 1, 2011 – June 30, 2012				
Nonprofit Applicant *	Project Name	County	Project Description	Award Amount
<b>Associated Catholic Charities, Inc.</b>	Rising Hope: Catholic Charities' Project to Improve Lives	Baltimore City	Support the operations of the following programs: employment services, basic needs services, and quality early education services to poor and low-income individuals and families.	\$20,000
<b>B&amp;O Railroad Museum, Inc.</b>	Recertification of the William Mason B&O #25 Locomotive	Baltimore City	Restore, reboiler and recertify the William Mason B&O #25 as an actively running locomotive.	\$25,000
<b>Baltimore Clayworks, Inc.</b>	Satellite Expansion in Pimlico/ Park Heights	Baltimore City	Support the operations of a community-based studio to provide art programs to an under-served population.	\$25,000
<b>Baltimore Community Foundation, Inc.</b>	Mount Washington School Expansion	Baltimore City	Expand the Mount Washington School, a pre-K-5 Baltimore City School, to add middle school grades (6-8) and implement the International Baccalaureate program.	\$10,000
<b>Baltimore Festival of the Arts, Inc. (Artscape)</b>	Operations Support	Baltimore City	Increase financial support from individuals for Artscape, America's largest free arts festival, featuring performing arts shows and visual arts exhibits.	\$15,000
<b>Baltimore Heritage, Inc.</b>	Preservation for Revitalization in West Baltimore	Baltimore City	Provide staff support to engage residents and decision makers in neighborhood revitalization that utilizes historic public resources in West Baltimore historic neighborhoods.	\$5,000
<b>Baltimore Montessori, Inc.</b>	Rehabilitation of Vacant School 32 for use as Greenmount West Community Center and Baltimore Montessori Public Middle School	Baltimore City	Rehabilitation of a historic, vacant former school for use as a Community Center and public Montessori Middle School.	\$25,000
<b>Baltimore Neighborhoods, Inc.</b>	BNI's Community Education Initiative (CEI)	Baltimore City <i>(Project Location is Balto Co.)</i>	Support the Community Education Initiative (CEI) program to address fair housing issues and educate Baltimore County citizens on fair housing laws.	\$5,000

**Community Investment Tax Credit Program  
July 1, 2011 – June 30, 2012**

<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Banner Neighborhoods Community Corporation</b>	Community Empowerment Initiatives	Baltimore City	Provide direct services, in up to 10 southeast Baltimore neighborhoods, that promote resident-based leadership, support neighborhood pride and stability.	\$5,000
<b>Big Brothers Big Sisters of Central Maryland and the MD Mentoring Resource Center</b>	Baltimore City One-to-One Mentoring	Baltimore City	Support one-on-one mentoring services to disadvantaged and underserved children and youth in Baltimore City to help them improve academically, socially, and emotionally.	\$25,000
<b>Bon Secours Baltimore Health System Foundation, Inc.</b>	Community Nursing Program	Baltimore City	Support operations of the Community Nursing Program, a disease management and health education program empowering West/Southwest Baltimore residents with Congestive Heart Failure and other chronic diseases.	\$20,000
<b>Caroline Friess Center</b>	Health Care Careers Training for Very Low Income Women in Baltimore	Baltimore City	Provide training, free of charge, for certification as geriatric nursing assistants or pharmacy technicians to up to 165 very low income women, in three sessions during a 12-month period.	\$15,000
<b>Chesapeake Center For Youth Development, Inc.</b>	Expanding Youth Employment Services	Baltimore City	Provide programmatic support for job readiness and workforce development training to low income youth, ages 16-21 in the Brooklyn/Curtis Bay neighborhoods.	\$15,000
<b>Community Law Center, Inc.</b>	Community Legal Services	Baltimore City	Provide support for legal representation to community-based organizations and nonprofits serving low-income people and neighborhoods in Baltimore City.	\$10,000
<b>Comprehensive Housing Assistance, Inc.</b>	Senior Home Repair and Modification Program	Baltimore City	Provide free and low-cost home repairs and modifications to low-income seniors and people with disabilities in northwest Baltimore City.	\$25,000
<b>Creative Alliance, Inc.</b>	Youth Arts Education Program	Baltimore City	Provide support for the operations of free afterschool, in school, weekend and summer education programs for the youth of Baltimore City.	\$10,000
<b>Cylburn Arboretum Association, Inc.</b>	Capital Campaign for Historic Cylburn Carriage House	Baltimore City	Increase financial support toward a \$1.2 million capital campaign for the complete renovation of the historic Cylburn Carriage House for the Cylburn Nature Museum and the Cylburn Arboretum Association office.	\$20,000

**Community Investment Tax Credit Program  
July 1, 2011 – June 30, 2012**

<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Episcopal Community Services of Maryland</b>	Jericho	Baltimore City	Provide job readiness and life-skills training as well as case management to formerly incarcerated men.	\$5,000
<b>The Everyman Theatre, Incorporated</b>	Everyman Theatre Education and Community Engagement	Baltimore City	Support operation and programmatic expansion of the theatre's Education and Community Engagement Programs, including the High School Matinee program provided free of charge to Baltimore City Public School students.	\$25,000
<b>Franciscan Center</b>	General Operations	Baltimore City	Provide operating support to assist in delivering comprehensive health and human services to the financially disenfranchised families of Baltimore City.	\$10,000
<b>Fuel Fund of Maryland</b>	Watt Watchers	Baltimore City	Support outreach efforts to provide energy conservation and financial education to help low-income Baltimore City residents save money on utility bills.	\$5,000
<b>HARBEL Community Organization, Inc.</b>	GBRBA Belair Road Revitalization Project	Baltimore City	Support the implementation of façade improvement and other property assistance efforts to restore economic vitality to the Belair Road commercial corridor.	\$10,000
<b>Historic Ships in Baltimore, Inc.</b>	Preserve Your Historic Ships	Baltimore City	Support the restoration and exhibit development efforts to preserve and maintain USS CONSTELLATION and USS TORSK to enhance the visitor experience.	\$15,000
<b>Jubilee Baltimore, Inc.</b>	Choice Neighborhoods-Central West Baltimore Planning	Baltimore City	Support staff to implement a HUD Choice Neighborhoods Grant to conduct a planning study of Central West Baltimore for better housing, education, retail, and reduced crime and vacancy.	\$15,000
<b>Live Baltimore Home Center</b>	Live Baltimore Home Center	Baltimore City	Provide operational support for website, regional marketing campaigns, and special events to promote city living.	\$10,000
<b>Marian House, Inc.</b>	Transitional Housing and Support Services Program for Women	Baltimore City	Provides housing and comprehensive support services to homeless women and their children to live independent, self-sufficient lives.	\$15,000
<b>Maryland Capital Enterprises, Inc.</b>	MCE's Micro-Lending in Baltimore	Baltimore City	Provide staff to assist potential borrowers and improve micro lending to small businesses in Baltimore City.	\$15,000

**Community Investment Tax Credit Program  
July 1, 2011 – June 30, 2012**

<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Maryland Institute College of Art</b>	Studio Center Renovation Initiative in Station North	Baltimore City	Support the renovation of Studio Center and expand its capabilities as an educational, public, artistic and cultural facility for the community at large.	\$25,000
<b>Maryland New Directions</b>	Career Focus	Baltimore City	Provide career counseling, employment readiness and skill training to low-income Baltimore City residents with barriers to employment.	\$15,000
<b>Maryland Society for Sight</b>	Mobile Eye Care for the Homeless	Baltimore City	Provide eye exams, glasses and treatment of eye disease for the at-risk population of homeless in Baltimore City.	\$5,000
<b>Maryland State Boychoir</b>	The Maryland State Boychoir Scholarship Fund Project	Baltimore City	Provide up to 20 \$2,500 scholarships for qualifying choristers to defray costs for camp, tours, luggage, attire and music education.	\$15,000
<b>National Aquarium in Baltimore</b>	Renovation of Wings in the Water Exhibit	Baltimore City	Support renovation of the Wings in the Water exhibit, which houses rays and sharks, in the Pier 3 building.	\$20,000
<b>Network for Teaching Entrepreneurship</b>	NFTE University	Baltimore City	Provide teacher training consisting of one session, four days and forty hours per week, in July 2012.	\$5,000
<b>Paul's Place, Inc.</b>	Case Management Program	Baltimore City	Provide support for the development of a comprehensive case management program to provide an organized, structured process for clients as they move through crisis and transitional support.	\$5,000
<b>Playworks Education Energized</b>	Playworks Baltimore	Baltimore City	Support the placement of full-time trained staff at low-income schools to provide in- and out-of-school programming that stops chaos during recess, shifts kids' behavior in positive directions, and accelerates learning in the classroom.	\$10,000
<b>Project PLASE Inc.</b>	Beacon House Square Transitional Housing & Permanent Housing	Baltimore City	Renovation of 3549/3601 Old Frederick Road to provide 60 transitional and 30 permanent housing apartments allowing continuum of housing to be under one roof.	\$20,000
<b>Second Chance, Inc.</b>	Green Workforce Development	Baltimore City	Provide training and development for unemployed Baltimore City residents in environmentally friendly deconstruction skills.	\$10,000

<b>Community Investment Tax Credit Program July 1, 2011 – June 30, 2012</b>				
<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>SEED School of Maryland, Inc.</b>	Operations Support	Baltimore City	Provide a public, tuition-free, college-preparatory boarding school education to prepare underserved students from across the state for success in college and beyond.	\$15,000
<b>South Baltimore Learning Corporation</b>	South Baltimore Learning Center Adult Literacy Program	Baltimore City	Support for two positions, Director of Technology & Instructional Support and Career Employability Counselor.	\$15,000
<b>Community Foundation of Carroll County</b>	Mary Lou Dewey Sculpture Park	Carroll	Support the renovation of the park and placement of five pieces of sculpture created by local artists at the Mary Lou Dewey Sculpture Park, located at the Westminster Branch of the Carroll County Public Library.	\$12,500
<b>Cambridge Main Street</b>	Organization Development Project	Dorchester	Provide operational support to Cambridge Main Street to expand and improve its work revitalizing downtown Cambridge by attracting more customers, businesses, and jobs to the Main Street district.	\$15,000
<b>Delmarva Community Services, Inc.</b>	Chesapeake Grove Intergenerational Center	Dorchester	Support the pre-development costs associated with the construction of Chesapeake Grove, a three story intergenerational center building.	\$30,000
<b>Boys &amp; Girls Club of Harford County, Maryland, Inc.</b>	Project Learn: An Educational Enhancement Program	Harford	Provide operational and programmatic support for a research-based, education-focused strategy that promotes academic improvement and proficiency for youth, ages 6-18 in all Boys & Girls Clubs of Harford County sites.	\$20,000
<b>Harford Family House, Inc.</b>	Emergency Shelter	Harford	The Emergency Shelter Program at Harford Family House will provide emergency shelter to homeless families with children.	\$20,000
<b>The Highlands School, Inc.</b>	Sustaining the Dream - Phase 2	Harford	The Sustaining THE DREAM project will raise \$3M over 3 years for need based tuition assistance at The Highlands School.	\$7,500

<b>Community Investment Tax Credit Program July 1, 2011 – June 30, 2012</b>				
<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Linwood Center, Inc.</b>	Linwood Center New School Building	Howard	Provide support for the construction of a new 35,000 square foot, state-of-the-art school for children with autism.	\$30,000
<b>Chester River Health Foundation, Inc.</b>	Digital Mammography Equipment	Kent	Support the purchase of vital, life-saving digital mammography equipment (\$350,000 estimate) to replace outdated equipment.	\$10,000
<b>Kent Center, Inc.</b>	Kent Center Community Enrichment Initiative	Kent	Support outreach and programmatic efforts to strengthen connections between Kent Center and local communities through community awareness and expanding networking opportunities.	\$10,000
<b>Housing Opportunities Community Partners, Inc.</b>	Saving for a Better Tomorrow Individual Development Account	Montgomery	Provide support for the creation of an Individual Development Account Program to help low-income Montgomery County families to become self-sufficient through homeownership, small business and educational opportunities.	\$5,000
<b>Jewish Social Service Agency</b>	Job Readiness & Support Services for Unemployed Individuals	Montgomery	Provide support for subsidized employment and careers services, with integrated mental health and social services, to unemployed, underemployed and displaced individuals.	\$15,000
<b>Mobile Medical Care, Inc.</b>	MobileMed Patient Treatment and Education	Montgomery	Provide patient treatment and education for chronic and acute conditions, in addition to primary and targeted specialty care, among low-income, uninsured Montgomery County residents.	\$10,000
<b>Primary Care Coalition of Montgomery County, Inc.</b>	Safety Net Health Clinics	Montgomery	Technical assistance and capacity building for safety-net health clinics in Montgomery County will strengthen the clinics, increasing patient visits and improving access, quality of care, and care coordination for low-income, uninsured patients.	\$5,000
<b>The Red Devils</b>	Treatment Support for Maryland Breast Cancer Families	Multi-: AA, Baltimore, Harford, Howard	Provide for operational and programmatic support associated with treatment transportation, family support, and medical costs for patients at 19 sites.	\$20,000

<b>Community Investment Tax Credit Program July 1, 2011 – June 30, 2012</b>				
<b>Nonprofit Applicant *</b>	<b>Project Name</b>	<b>County</b>	<b>Project Description</b>	<b>Award Amount</b>
<b>Alice Ferguson Foundation</b>	Potomac Watershed Study Center	Prince George's	The Alice Ferguson Foundation's Potomac Watershed Study Center includes a Day Use Education Building; Overnight Lodge; two Overnight Cabins; Wetland Boardwalk; and a Living Shoreline.	\$5,000
<b>First Generation College Bound, Inc.</b>	First Generation College Bound, Inc.	Prince George's	Support operational costs associated with increasing the participation in college/higher education by low and moderate-income youth, whose parents do not have a bachelor's degree or have not participated in higher education.	\$5,000
<b>World Arts Focus, Inc./Joe's Movement Emporium</b>	Theater Tech Program: Job Training for Teens	Prince George's	Provide operational and programmatic support for a workforce development program that trains low-income teens in the technical theater trade and provides paid internships and job placement.	\$20,000
<b>Friends of Teackle Mansion, Inc.</b>	Re-Plastering/Wood Work Repair	Somerset	Support the repair and restoration of period wood work in the historic Mansion.	\$15,000
<b>Patuxent Habitat for Humanity</b>	Building Affordable Homes in Southern Maryland	St. Mary's	PHH will repair existing homes to alleviate critical health, life and safety issues of code violations and build new safe affordable homes.	\$20,000
<b>Habitat for Humanity of Washington County</b>	Building Affordable Homes in Washington County	Washington	Support the acquisition of up to eight properties in West Hagerstown to sell built and/or renovated homes to low-income families at 0% interest.	\$20,000
<b>Total - 70</b>				<b>\$1,000,000</b>

**COMMUNITY LEGACY PROGRAM**

Community Legacy provides local governments and community development organizations with funding for essential projects aimed at strengthening communities through activities such as business retention and attraction, encouraging homeownership and commercial revitalization. Funding, in the form of grants and loans, is available for projects located in Priority Funding Areas and is meant to compliment and supplement other State funding programs. As part of a competitive application process, communities are required to have and/or develop a comprehensive revitalization plan that specifically identifies projects meant to revitalize transitional areas. The table below shows Community Legacy awards from July 1, 2010 through June 30, 2011:

Community Legacy Program July 1, 2011 – June 30, 2012				
Awardee	Project County	Project Name	Amount Awarded	Total Project Costs
Frostburg, City of	Allegany	Facade and Restoration	\$50,000	\$100,000
Cumberland, City of	Allegany	Footer Dye Works Building Stabilization – Phase III	\$100,000	\$153,750
Annapolis, City of - Clay Street	Anne Arundel	Stanton Community Center Facility Rehabilitation	\$80,000	\$237,350
Arundel Community Development Services, Inc.	Anne Arundel	Brooklyn Park Acquisition/Rehab	\$150,000	\$236,250
Dundalk Renaissance Corporation	Baltimore	Revolving Acquisition Fund	\$150,000	\$650,000
Reinvestment Fund, The	Baltimore City	City Arts Studio Lofts	\$150,000	\$1,846,500
Baltimore Development Corporation	Baltimore City	Highlandtown Rooftop Environmental Demonstration Project	\$40,000	\$1,240,000
Baltimore Development Corporation	Baltimore City	Senator Theater	\$300,000	\$1,825,336
Reinvestment Fund, The	Baltimore City	Preston Place NSP3	\$100,000	\$6,813,409
Historic East Baltimore Community Action Coalition, Inc.	Baltimore City	Mary Harvin Transformation Center	\$200,000	\$2,000,000
Central Baltimore Partnership	Baltimore City	Retrofitting Montessori School for Community Facility	\$125,000	\$125,000
Central Baltimore Partnership	Baltimore City	Anchors 2012 Project	\$80,000	\$312,000
Central Baltimore Partnership	Baltimore City	Load of Fun Final Facade Renovations	\$10,000	\$10,000
Central Baltimore Partnership	Baltimore City	North Avenue Market Restoration	\$40,000	\$40,000
Denton, Town of	Caroline	Wharves at Choptank Crossing Heritage	\$150,000	\$1,131,090
Cambridge, City of	Dorchester	City Facade Improvement Program	\$50,000	\$51,500
Cambridge, City of	Dorchester	Gateway Streetscape/Community Wayfinding Phase 2	\$75,000	\$80,700
Thurmont, Town of	Frederick	Main Street Headquarters Renovations	\$75,000	\$225,000
Frederick, City of	Frederick	Downtown Facade Improvement Program	\$50,000	\$100,000
Frederick, City of	Frederick	Carroll Creek Park	\$100,000	\$3,613,287

Community Legacy Program July 1, 2011 – June 30, 2012				
Awardee	Project County	Project Name	Amount Awarded	Total Project Costs
Garrett County, Maryland, Community Action Committee, Inc.	Garrett	Mt. Lake Park Historic Signage	\$10,000	\$14,095.20
Garrett County, Maryland, Community Action Committee, Inc.	Garrett	Oakland Façade	\$50,000	\$100,000
Bel Air, Town of	Harford	Town of Bel Air Revolving Loan Fund	\$50,000	\$115,000
Havre de Grace, City of	Harford	Phase II Water Treatment Plant Improvements	\$20,000	\$50,000
Havre de Grace, City of	Harford	Superior Street/Hatem Bridge Gateway Beautification	\$100,000	\$145,000
Aberdeen, City of	Harford	Facade Improvement Program	\$50,000	\$100,000
Chestertown, Town of	Kent	Charles Sumner Post #25, GAR Bldg.	\$100,000	\$102,500
Gaithersburg, City of	Montgomery	Historic B&O Station Interior Improvements	\$80,000	\$106,000
Forest Heights, Town of	Prince George's	Upgrade of Existing Pedestrian Facilities	\$97,000	\$286,907
District Heights, City of	Prince George's	City Beautiful Program	\$100,000	\$200,000
Capitol Heights, Town of	Prince George's	Property Acquisition & Land Assemblage TOD Mixed Use Site	\$200,000	\$200,000
Seat Pleasant, City of	Prince George's	Seat Pleasant MLK Jr. Highway Revitalization Project	\$100,000	\$100,000
Mount Rainier, City of	Prince George's	Green Initiative Bike Share Program	\$25,000	\$25,000
Housing Initiative Partnership, Inc.	Prince George's	HIP - Capitol Heights Acquisition and Rehab	\$150,000	\$404,000
Port Towns Community Development Corp.	Prince George's	Cottage City HVAC Restoration Project	\$35,000	\$35,000
Housing Initiative Partnership, Inc.	Prince George's	Palmer Park Acquisition and Rehab	\$150,000	\$466,713
College Park, City of	Prince George's	Strategic Demolition and Marketing of US 1 Sites	\$75,000	\$75,000
Saint Mary's County Housing Authority	Saint Mary's	Improvements Tubman Douglass Neighborhood Facility	\$21,500	\$23,424
Princess Anne, Town of	Somerset	Street Re-construction	\$80,000	\$83,000

Community Legacy Program July 1, 2011 – June 30, 2012				
Awardee	Project County	Project Name	Amount Awarded	Total Project Costs
Princess Anne, Town of	Somerset	Washington Hotel Development-Secretary's Reserve	\$156,162	\$300,000
Crisfield, City of	Somerset	West Chesapeake Ave Sidewalk Replacement	\$60,000	\$60,000
Princess Anne, Town of	Somerset	Facade Improvement	\$50,000	\$53,000
Easton, Town of	Talbot	Upper Story Redevelopment	\$75,000	\$78,000
Hagerstown, City of	Washington	Artist Lofts & Gallery	\$80,000	\$485,000
Salisbury, City of	Wicomico	Mill St. / West Main St. Intersection Improvements-Phase 2	\$100,000	\$119,300
Pocomoke, City of	Worcester	MarVa Theater Upgrade	\$7,500	\$8,690
Pocomoke, City of	Worcester	Downtown Business and Building Improvements	\$50,000	\$65,000
Ocean City Development Corporation	Worcester	OCDC Green Building Initiatives Program	\$50,000	\$107,500
Ocean City Development Corporation	Worcester	OCDC Facade Improvement Program	\$50,000	\$115,000
Snow Hill, Town of	Worcester	Facade Improvement Program	\$35,000	\$38,500
Total			\$4,282,162	\$24,852,802

#### INFRASTRUCTURE BOND PROGRAM

During the period July 1, 2011 through June 30, 2012 DHCD administered two public bond financings with a total par value of \$26,245,000, and lending bond proceeds to seven local governments (Berlin, Centreville, Charlestown, Chestertown, Cumberland, Laurel, and Snow Hill).

Infrastructure Bond Program July 1, 2011 – June 30, 2012			
Jurisdiction	Bond Series	Project Description	Loan Amount
Berlin	2012A	Refinance existing indebtedness	\$4,776,406
Centreville	2012A	Street, water distribution improvements, refinance debt	\$2,555,540
Charlestown	2012A	Refinance existing debt, drainage system improvements	\$798,580

Chestertown	2012A	Purchase marina property	\$2,045,444
Cumberland	2011A	Refinance existing indebtedness	\$11,415,000
Laurel	2012A	Pool facilities, street and maintenance facility improvements	\$2,860,000
Snow Hill	2012A	Refinance existing indebtedness	\$589,031

### NEIGHBORHOOD BUSINESSWORKS PROGRAM

To support the growth and expansion of small businesses in Maryland, the Department of Housing and Community Development (DHCD) initiated the Neighborhood Business Development Program (NBBDP) on October 1, 1995. The NBBDP, now referred to as the Neighborhood BusinessWorks Program, (NBW) supports both small businesses and non-profit corporations. Small businesses may receive up to \$500,000 or fifty percent of a project's costs, whichever is less. Non-profit corporations also receive grants that are awarded competitively. The NBW program made the following loans and grants during the reporting period:

Neighborhood Business Works Program July 1, 2011 - June 30, 2012			
Award Type	County	Project	Award Amount
Loan	Alleghany	Springdale Properties	84,500
Loan	Baltimore City	Royal Razor	35,000
Loan	Baltimore County	Keel's Auto Body	100,000
Loan	Baltimore City	Impero Foods	\$180,000
Loan	MLP Partner Prince George's	FSC First	200,000
Loan	MLP Partner Wicomico County	MCE	200,000
Loan	Baltimore City	Verde Corp	430,722
Loan	Prince Georges	Greenbelt Travel	35,000
Loan	Baltimore City	3301 Eastern Ave Arts Center	\$248,250
Loan	Baltimore City	DeQuan's Construction LLC	\$250,000
Loan	Prince George's	Big Bad Woof	\$134,500
Loan	Baltimore City	Babe (A Boutique)	\$35,000
Loan	Baltimore	Peace A Pizza	\$50,000
<b>TOTAL</b>			<b>\$1,982,972</b>

## **Households And Persons Assisted**

### **Persons Assisted**

The Department's loan and grant programs are targeted to various populations:

- Low- and very low-income families who need assistance to make their monthly rent payment;
- Hard working families and individuals looking forward to owning their first home;
- Frail elderly persons and those needing just a little extra help to continue leading full and active lives;
- Developmentally-disabled individuals who want an opportunity to show they can make it on their own;
- Young children whose lives are at risk because of lead-paint poisoning;
- Low-income families who need to make repairs to their home; and
- Residents in rural areas who still don't have running water and indoor toilets.

### **Documentation of Assistance to be Provided**

The State maintains project records on housing/households assisted with federal funds. This includes: the address of the property, the number of residential dwelling units occupied by assisted households, the type of assistance provided, the program funding source(s) and amount(s) of federal assistance provided. It also includes the number of households or persons assisted, including income categories (i.e., very low-, low-, or moderate-income), the head of the households racial/ethnic identification and whether or not the households and unit meet Section 215 criteria. These records are not incorporated into the Performance Report, but rather kept on file for HUD Review.

## **OTHER ACTIONS UNDERTAKEN**

### **PUBLIC POLICIES**

During the reporting period, the State of Maryland adopted a number of public policies that are designed to help the State carry out the objectives in its Consolidated Plan.

### **INSTITUTIONAL STRUCTURE**

During the past year, the State undertook a number of actions and activities designed to improve the institutional structure that provides housing and community development opportunities to Maryland's citizens.

The State continued to institute a number of policies for developing statewide building codes, energy code and energy saving activities for Maryland residents. The State of Maryland previously adopted the Maryland Building Performance Standards to incorporate 2009 International Building Code (2009 IBC), 2009 International Residential Code (2009 IRC), 2009 International Existing Building Code (2009 IEBC), and 2009 International Energy Conservation Code (2009 IECC). The 2009 International Energy Conservation Code is recognized and is required by the U.S. Department of Energy (DOE) for its funding. DHCD continued to work with the Maryland Energy Administration (MEA) to promote energy efficiency and to provide training sessions to the building professionals and local building officials following the adoption of a statewide 2009 IECC. DHCD also provided many training sessions for the 2009 IBC, 2009 IRC, 2009 IEBC, and Maryland Accessibility Codes. The Maryland Accessibility Code had been certified by the U.S. Department of Justice (DOJ) as meeting or exceeding federal standards regarding the accessibility code. In addition, the International Code Council (ICC) has published the 2012 International Building Code (2012 IBC), 2012 International Residential Code (2012 IRC), 2012 International Existing Building Code (2012 IEBC), 2012 Property Maintenance Code (2010 IPMC), and 2012 Energy Conservation Code (2012 IECC). DHCD began taking the steps to update the Maryland Building Performance Standards (MBPS) by incorporating these codes during the reporting period and they will become effective Statewide January 1, 2012.

The training sessions provided by DHCD to building professionals and local building officials are essential to ensure compliance with the codes, and thus increase the safety, energy efficiency and comfort to the citizens of the State. DHCD is also working with MEA to promote the new Maryland Energy Efficient Standards Act which creates energy-efficient standards for certain products and appliances that are sold and installed in Maryland. New technologies promoted by the Act will save consumers money by improving energy efficiency in homes and businesses. DHCD also received funding from MEA to carry out energy efficiency improvements in its multi-family developments, including rehabilitating older properties to higher energy efficiency standards as well as constructing new buildings to higher standards, some with alternative energy sources.

### **INTERGOVERNMENTAL COOPERATION**

DHCD continued its efforts in working with numerous other State agencies and local governments to support Intergovernmental Cooperation. The major on-going effort of Intergovernmental Cooperation that began last year and will continue into next year is working with the Maryland Departments of Planning, Agriculture, Business and Economic Development, Education, Environment, Natural Resources and Transportation, as well as Maryland's Counties and Cities in the creation of a State Development Plan and a State Housing Plan. The State Development Plan will help guide future growth and development in Maryland. The State Housing Plan will look at housing as a whole for all of Maryland (including the entitlement jurisdictions) to help coordinate housing policy and goals with State goals. Both plans are also meant to help guide State investment to help strengthen Maryland's communities and promote Smart Growth.

Two other major coordination efforts DHCD worked with other State agencies in the past year included efforts to promote Transit Oriented Development (TOD) and efforts to promote energy efficiency in DHCD financed housing projects. In terms of TOD, DHCD worked with the Maryland Department of Transportation, Business and Economic Development, and Department of General Services among others to promote the development/redevelopment of Maryland's mass transit stations. Fourteen stations have been initially identified for coordinated growth and investment opportunities, with each agency giving priority to funding projects located around these TOD sites. In terms of energy efficiency, DHCD has participated with the Maryland Energy Administration, to expand energy efficiency and green building throughout Maryland. This includes providing bonus points under the State's QAP for green building, as well as using Regional Greenhouse Gas Initiative, DOE, and other funding to promote energy efficiency in multifamily and single family housing. Housing projects that received funding under this initiative were discussed earlier in this report (no business loans had closed during the reporting period.) Also as noted earlier in this report, DHCD received a \$20 million competitive grant from DOE to also improve energy efficiency in multifamily properties, small businesses, and public facilities that receive other DHCD funding, and has started undertaking those activities.

DHCD is also working with other members of the Base Realignment Commission (BRAC), including both State agencies as well as federal agencies such as the Department of Defense, in developing housing and community development strategies which will allow communities impacted by base realignment to cope with substantial growth this effort will cause. DHCD also actively participates on the Critical Areas Commission, ensuring that the State's environmental resources are protected, especially in wetland areas. The State's Smart Codes effort ensures DHCD is working in cooperation with local governments to develop building codes that promote affordable housing and revitalization of existing buildings

DHCD is also working with other State agencies to improve coordination of effort in the areas of special needs housing, homelessness, and lead paint abatement. DHCD staff worked with DHMH and MDOD on initiatives to help provide housing to disabled individuals, including working on a Section 811 application as well as working through normal channels to expand fair housing choice. DHCD is also currently working with Department of Human Resources staff to help update Maryland's 10-year Plan to end chronic homelessness. Other State agencies, local housing and homeless providers, nonprofit organizations, advocacy groups, and other interested parties are also involved in this effort. The same holds true for the development of the State's 10 year Plan to Eliminate Childhood Lead Poisoning. DHCD is working with the Maryland Department of the Environment, Maryland Department of Labor, Licensing and Regulation, Department of Health and Mental Hygiene, local governments, and others in developing the Plan and implementing strategies that will protect children and make housing lead safe.

### **Comprehensive Plan Requirements**

As part of its evaluation process, HUD asks grantees who prepare a Consolidated Plan to report 1) whether they pursued all resources that they indicated they would pursue, 2) whether the grantee provided all requested Certifications of Consistency with the Consolidated Plan, in a fair and impartial manner, for HUD programs which it indicated it would support, and 3) whether the grantee engaged in willful inaction so that it would fail to meet its Consolidated Plan goals.

During the past year, DHCD pursued all of the funding sources it said it would pursue. This included submitting the appropriate requests for all formula grant programs for which it was eligible, as well as submitting applications for competitive funds as appropriate. DHCD also certified all the requests for Certifications of Consistency with the Consolidated Plan that it received. This included requests for Continuum of Care Funds, Shelter Plus Care Funds (including both new and renewal projects), Supportive Housing Funds, Housing Counseling Funds, ROSS funding, Public Housing Plans, etc. These certifications were made to a wide variety of agencies and organizations, including units of local governments, Public Housing Authorities, Community Action Agencies, health providers, shelter providers, and faith based organizations, among others. Lastly, DHCD did not engage in any willful inaction where it failed to meet its Consolidated Plan goals.

### **Geographic Targeting and Underserved Needs**

HUD asks that grantees identify actions taken to serve populations that are considered underserved by housing programs. Under the State's Consolidated Plan, no group is identified as being more underserved than another for housing assistance. This is because the Housing Analysis in the Plan noted that all types of households covered by the Plan had substantial housing needs without substantial difference due to households size, makeup, race, or other factor. For example, if the percentage of "small, very low-income renter families" with housing needs was 65 percent statewide, virtually every jurisdiction within the State was within a few percentage points of the statewide average. In the survey of needs completed for the five-year Plan, questions about infrastructure, community development, and economic development needs also indicated a similarity of need from jurisdiction to jurisdiction.

Since similar needs exist throughout the State, the State does not target its funds to certain jurisdictions, except as established by law. For example, the State's allocation of CDBG funds may only be used in non-entitlement areas. Since there is a major emphasis on directing resources to growth areas and areas in need of revitalization, we will generally be targeting funds to projects located in Priority Funding Areas (PFAs) as well. In addition, HUD also asks if or how funds will be specifically targeted to areas of minority and low-income concentration. In its Analysis of Impediments to Fair Housing Choice, the State defined a "high concentration" of minority households as a census tract where the percentage of minority households is at least 10% greater than the county average. Based on this definition, of the 346 census tracts in Maryland's non-entitlement areas in the time of the Analysis, only 25, or just over 7%, had census tracts of high minority concentration. As noted above, DHCD targets its funds to Priority Funding Areas (PFAs). Of the 25 tracts with concentrations, 15 have concentrations due to institutions such as Historically Black Colleges and Universities, hospital centers, military bases, or prisons. Of the remaining 10, 9 are located in PFAs. Because of DHCD's emphasis on targeting funds to PFAs, areas of minority concentration are already targeted for assistance through the State's housing and community revitalization programs. (The one concentration outside of a PFA is located in Charles County and is minority, but not low-income. See the Five-Year Plan's discussion of concentrations for more information.)

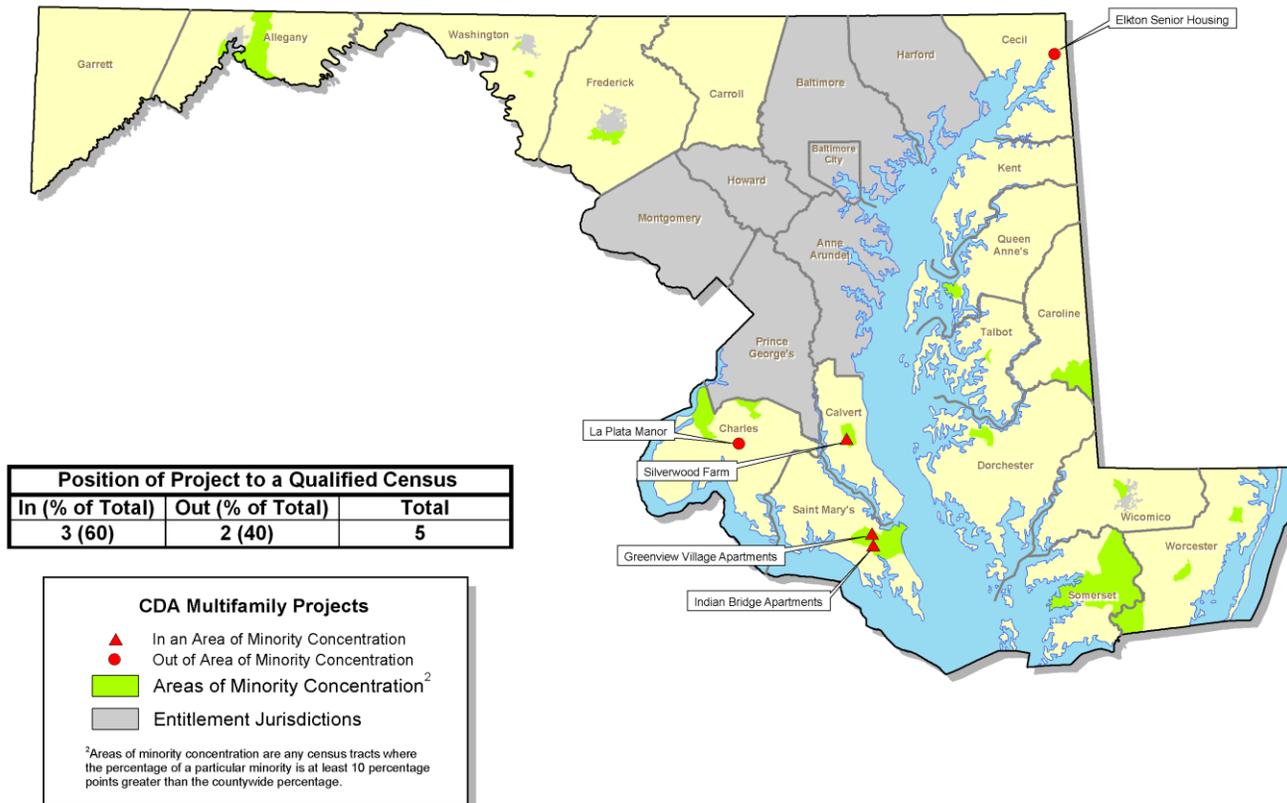
**PLEASE NOTE: THE DISCUSSION ON MAPS AND PROJECTS BELOW IS FOR LAST YEAR. MAPS FOR MOST RECENT ACTIVITY ARE BEING UPDATED AND WHERE NOT AVAILABLE AT PRESS TIME.**

The maps on the following pages show DHCD activity in areas of minority and low income concentration. This was done for the Multi-family housing programs and the CDBG Program. Note that loans and grants to individuals were not mapped. This was done both to protect individuals privacy and because loans such as rehabilitation loans for homeowners funded with HOME or CDBG do not change the low-income or minority makeup of a community. HUD has full details on individuals served with HOME and CDBG rehabilitation loans in the IDIS system.

For Multi-family programs, DHCD made a total of 5 loans in non-entitlement areas. In terms of minority concentrations, three of the five loans were made in areas of minority concentration. In all cases, these concentrations were due to the presence of institutional structures – a prison work release facility in Calvert County where Silverwood Farm is located, and military facilities in Saint Mary's County, where the Greenview and Indian Bridge projects are being undertaken. All three projects were located in designated revitalization areas, and all three projects were preservation projects. That is, they involved the acquisition and rehabilitation of existing properties which were preserved as affordable housing, so they did not change or impact concentrations in the areas where they are located.

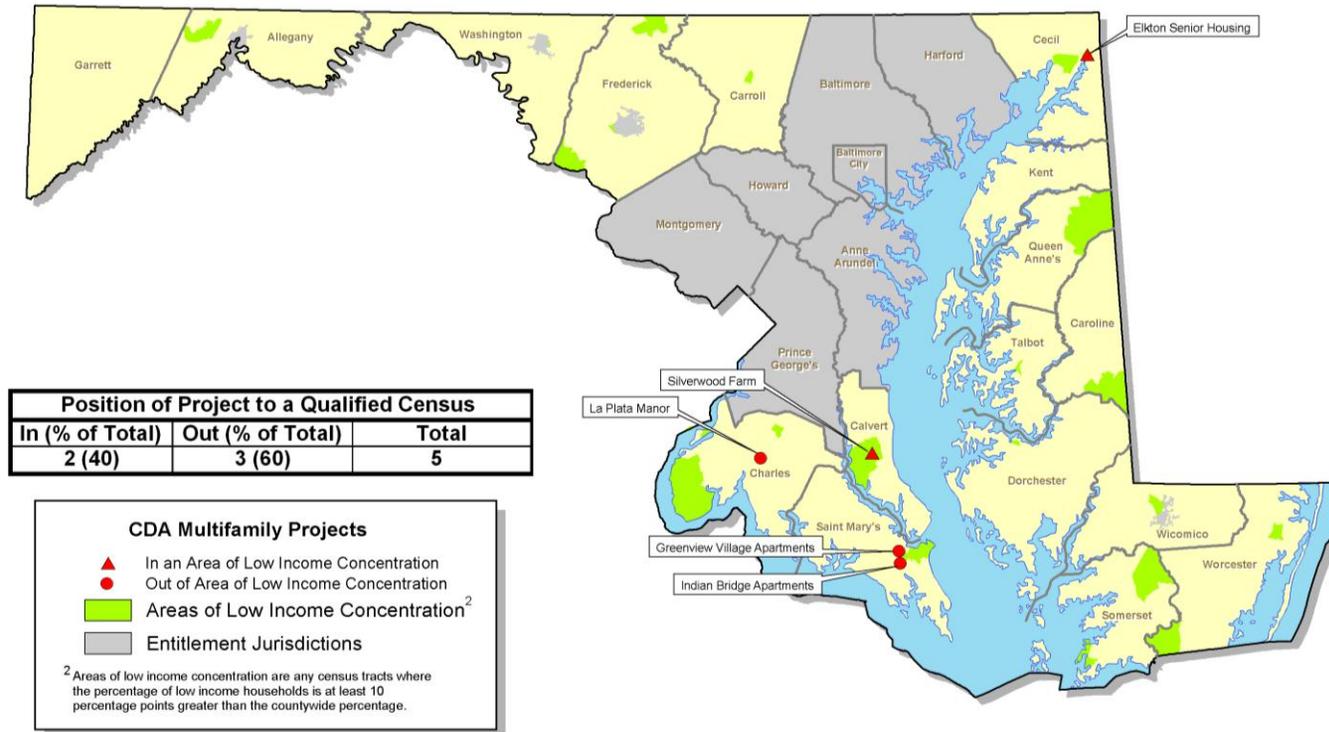
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Multifamily Projects (Closed date: FY 2011) Located in a Minority Population Concentration by Qualified Census Tract (QCT) for Non-entitlement Jurisdictions of Maryland



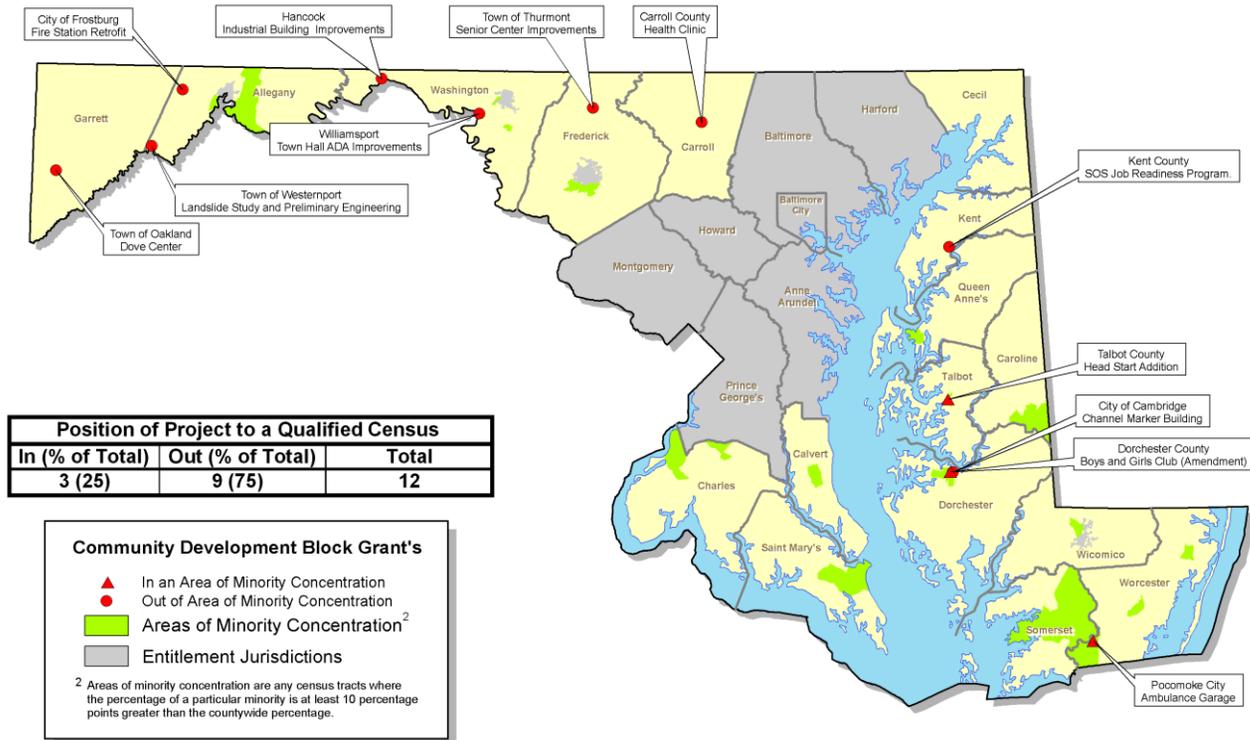
In terms of projects located in areas of low-income concentration, two of the projects were located in these areas. This includes Elkton Senior which is located in designated revitalization area, and the aforementioned Silverwood Farm which is impacted by the same work-release facility noted above.

Multifamily Projects (Closed date: FY 2010) Located in a Low Income Concentration by Qualified Census Tract (QCT) for Non-entitlement Jurisdictions of Maryland



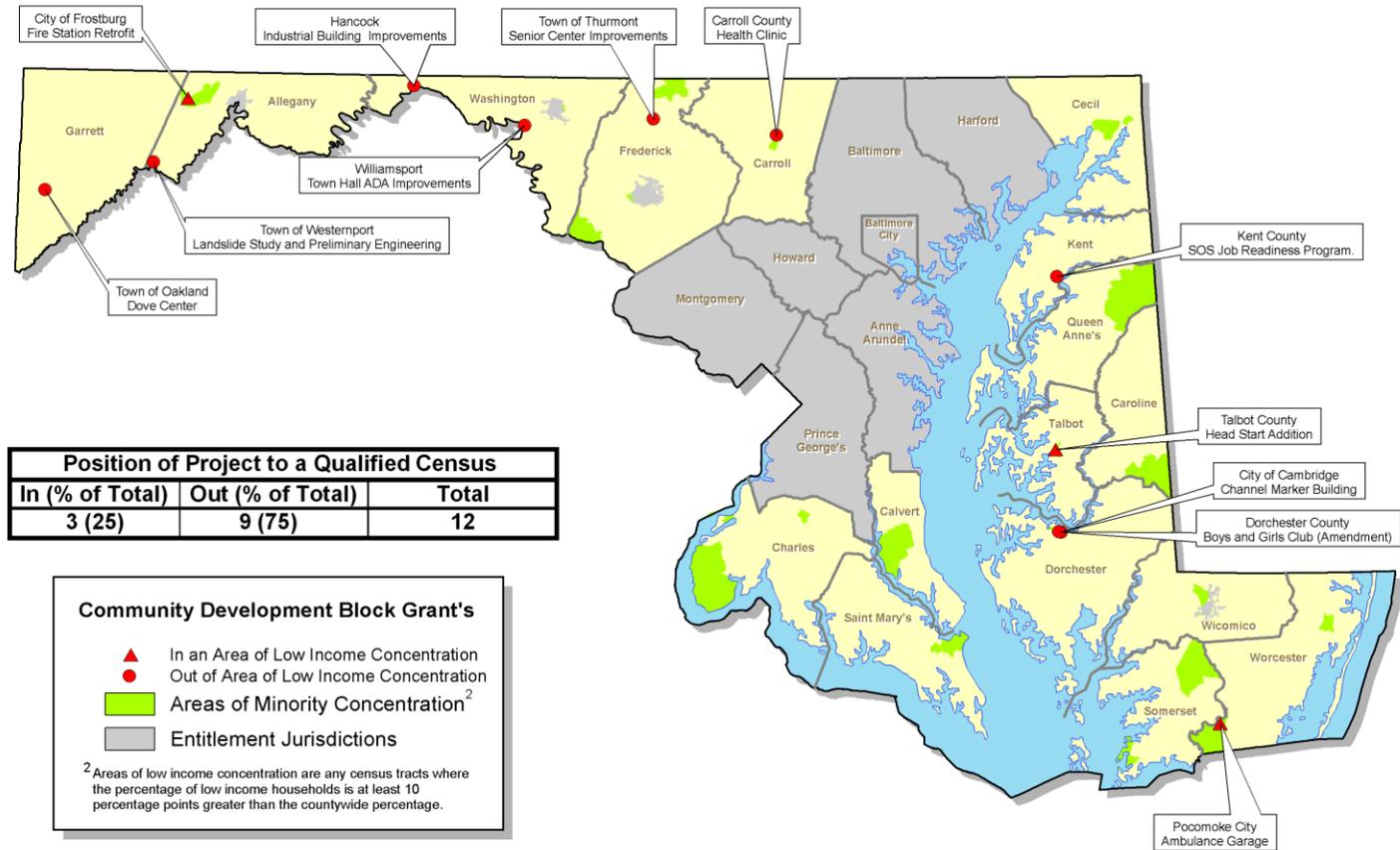
For CDBG projects, twelve mappable projects were funded (the other projects were items such as housing rehabilitation which are not mapped due to privacy issues). Three of these twelve projects were in areas of minority concentration. One project in Pocomoke City is in an areas of low-income concentration due to a historically black college. The other two projects were a Boys and Girls Club in Dorchester County and a Head Start Center in Cambridge. All three projects are located in designated revitalization areas.

Community Development Block Grant's (Closed date: FY 2011) Located in a Minority Population Concentration by Qualified Census Tract (QCT) for Non-entitlement Jurisdictions of Maryland



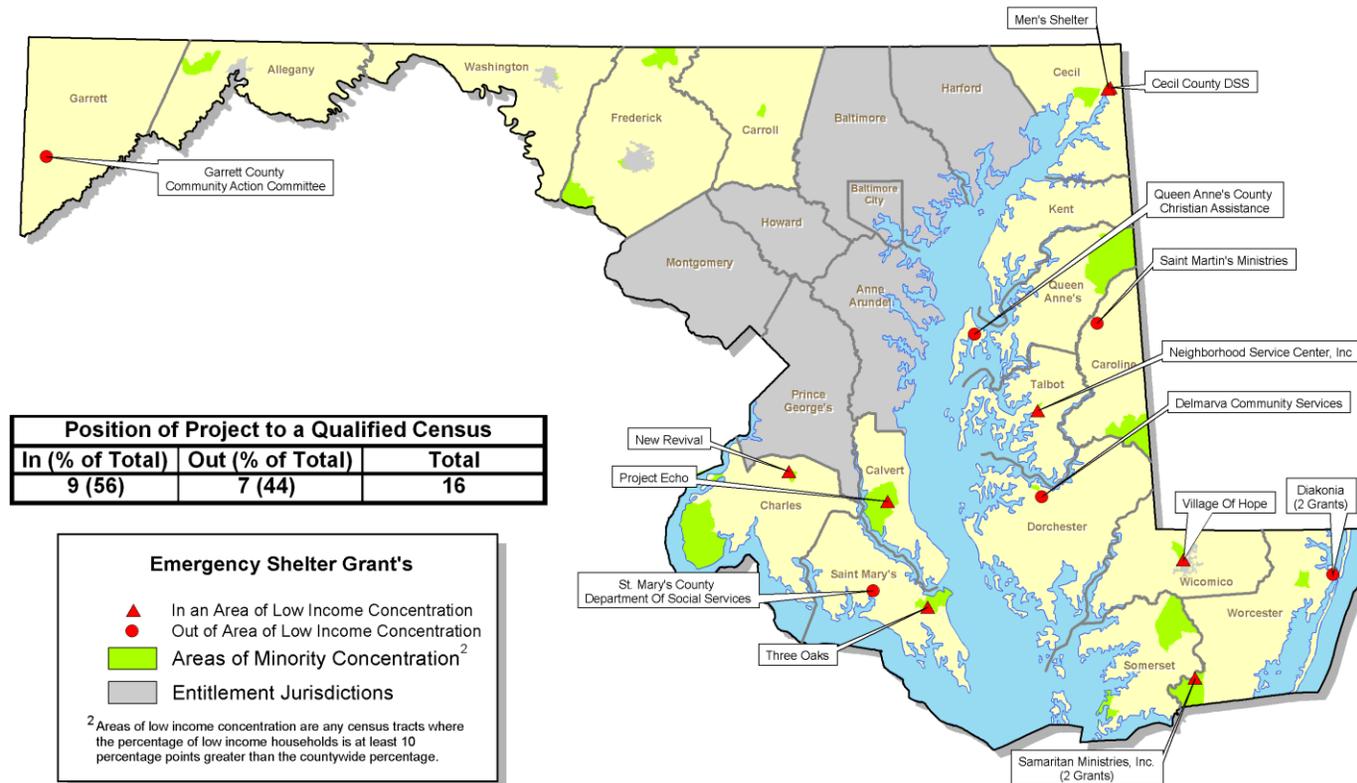
In terms of areas of low-income concentration and CDBG projects, three of the 12 projects were in areas of low-income concentration. These three included the same ambulance facility in Pocomoke City, a low-income concentration due to the presence of the University of Maryland Eastern Shore (a historically black college), one was in Frostburg (impacted by the presence of Frostburg State University) and the last was the same Head Start Center in Cambridge. All of these projects are also in designated revitalization areas.

**Community Development Block Grant's (Closed date: FY 2011) Located in a Low Income Concentration by Qualified Census Tract (QCT) for Non-entitlement Jurisdictions of Maryland**



Lastly, for the ESG program, there were 16 mappable projects that received funding, nine of which were in areas of low-income concentration, and eight of which were in areas of minority concentration. That projects were located in areas of low-income concentration are not surprising, homeless shelters typically are located where there are large numbers of poor persons who are homeless or threatened with homelessness.

Emergency Shelter Grant's (ESG) (Closed date: FY 2011) Located in a Low Income Concentration by Qualified Census Tract (QCT) for Non-entitlement Jurisdictions of Maryland

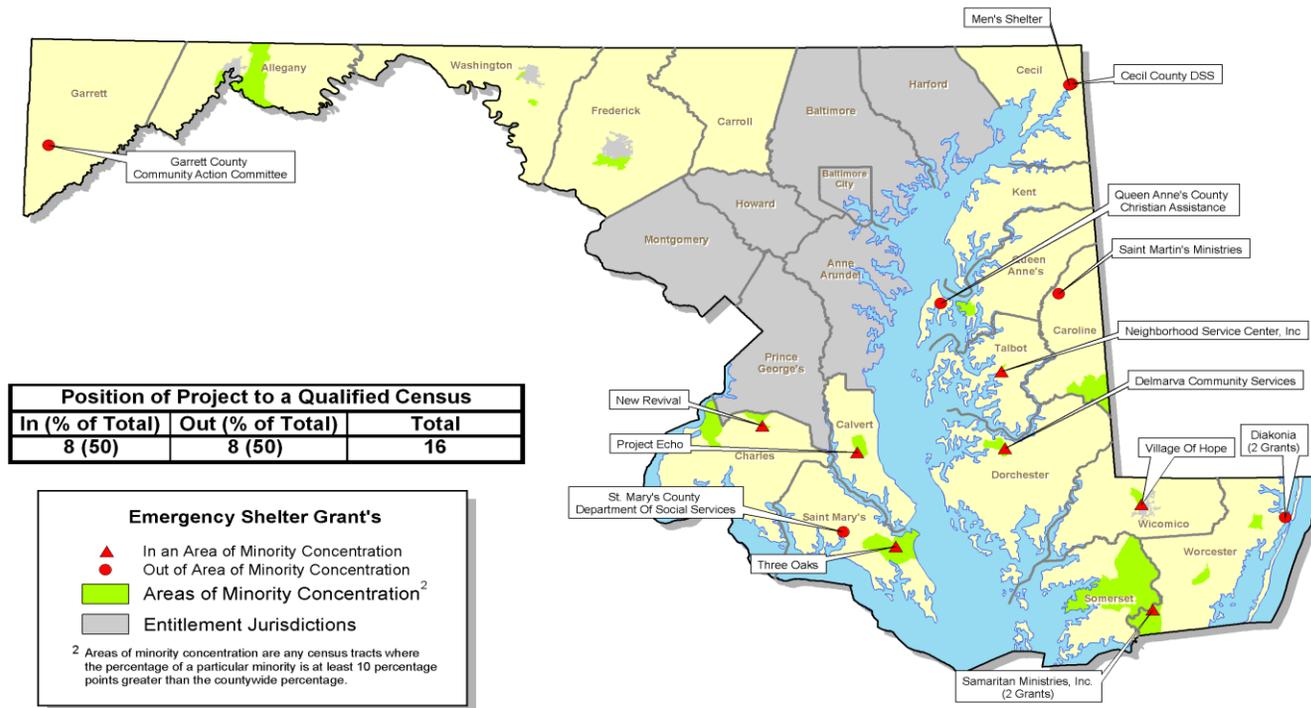


Even so, some of these projects are located in areas where the concentration is due to an institutional structure (such as Project Echo which is impacted by a prison work-release facility).

In terms of minority concentration, the numbers in part reflect where offices/activities are located for grant recipients, rather than where homeless assistance is provided. For example, both Wicomico County and the City of Salisbury sub granted their ESG funds

to a homeless provider (Samaritan Ministries) in Pocomoke City who will undertake activities across the County. However, since their headquarters are located in Pocomoke City (which has a minority concentration due to the presence of a historically black college) the map shows the ESG grants in an area of minority concentration which is not where the work will primarily take place. In addition, two other projects, projects (Project Echo and Three Oaks Shelter) are also in areas of minority concentration due to institutional structures.

Emergency Shelter Grant's (ESG) (Closed date: FY 2011) Located in a Minority Population Concentration by Qualified Census Tract (QCT) for Non-entitlement Jurisdictions of Maryland



**Leveraging Resources**

DHCD was highly successful in leveraging resources during the past year. As the table below shows, the federal and State programs operated by DHCD which are primarily used as gap financing programs leveraged more than \$216 million in public and private resources in the past year.

<b>July 1, 2011 - June 30, 2012</b>			
<b>Program</b>	<b>Funds Awarded</b>	<b>Total Project Cost</b>	<b>Leveraging</b>
CDBG	\$7,500,323	\$57,628,554	\$50,128,231
ESG	\$578,087	\$4,471,234	\$3,907.54
HOME-MF	\$4,929,783	\$20,709,164	\$15,779,381
Competitive LIHTC	\$12,530,944	\$209,256,083	\$196,725,139
Community Legacy	\$4,282,162	\$24,852,802	\$20,570,640
<b>TOTAL</b>	<b>\$29,821,299</b>	<b>\$316,917,837</b>	<b>\$283,207,299</b>

**ELIMINATING BARRIERS TO AFFORDABLE HOUSING**

In the Consolidated Plan, the State identified eight barriers to affordable housing in Maryland. These included 1) Building Codes and Standards, 2) Local Zoning, 3) Approval Fees, 4) the Permit Approval Process, 5) Lack of adequate financial resources, 6) Housing Acquisition Finance Requirements, 7) Government coordination, and 8) lack of Fair Housing Choice.

DHCD's actions to promote fair housing choice and improve Government Coordination are discussed elsewhere in this Report. As a State Agency, DHCD has no control over local zoning, local approval fees, or the local permit process. However, DHCD has made progress in other areas over which has control. One of these is building codes and standards. As noted elsewhere in this report, the State of Maryland has adopted new building codes that take effect Statewide on January 1, 2012. Adopting uniform building codes will make it easier for developers and individuals to undertake projects statewide. In addition, the State has undertaken a new initiative, "Maryland Made Easy" which will, when completed, provide a single point of contract and entry for all permitting and applications in the State at a single website, without requiring developers and the public to search site to site and agency to agency for permits and applications for Maryland programs.

In terms of housing acquisition financing, the State specifically identified obtaining a down payment as a major barrier to affordable housing. DHCD has addressed this need by continued funding and operation of its DSELP program, which helps families overcome

this barrier. DHCD also has provided substantial funding for the construction of new affordable rental housing. Lastly, DHCD continues to advocate for more housing resources so that it can provide more affordable housing to individuals and families with housing needs. As noted elsewhere in this report, DHCD has worked to standardize building codes when adopting the IBC, and has carried out extensive efforts in intergovernmental cooperation, ranging from homelessness to protecting critical areas to working extensively with other agencies on the foreclosure crisis among other cooperative efforts.

#### **LOW-INCOME HOUSING TAX CREDIT**

As one of its goals to improve coordination of the tax credit with other housing funds, DHCD adopted a uniform application in 1996 for all State and federal housing programs over which it has control. The application was revised in August 1999, and again in 2002 to reflect changes mandated by Congress. These changes included providing greater emphasis to support family housing. Revisions in January 2011 to the Multifamily Rental Financing Program Guide which is an attachment to the January 2011 Qualified Allocation Plan (QAP) included: enhanced energy efficiency, green and sustainability construction requirements, refined scoring for leveraging and income targeting, modified scoring standards for the evaluation of market studies, and refined scoring for projects involving non-profit and community-based organizations.

#### **PUBLIC HOUSING RESIDENT INITIATIVES**

HUD asks States under this part of the Performance Report to discuss public housing resident initiatives. The purpose is to describe the activities taken during the reporting period to encourage residents of State public housing units operated by a State public housing agency to help tenants become more involved in the management of public housing and to participate in homeownership. DHCD's Community Development Administration does not operate physical public housing units in this manner. DHCD does operate as a Section 8 Voucher PHA.

In regard to helping PHA residents participate in homeownership opportunities, PHA residents are able to access all of DHCD's homeownership loan programs for which they qualify. In addition, DHCD has developed a strategy that allows Housing Choice (Section 8) Voucher holders to use their Vouchers for homeownership. DHCD has formed partnerships with two agencies, the Garrett County Community Action Committee, and the Maryland Rural Development Corporation (both of which are HUD-approved housing counseling agencies) to utilizing the homeownership option of Housing Choice Vouchers. DHCD also offers the program to cover all counties on the Eastern Shore where the Department administers Housing Choice Vouchers, i.e., Caroline, Dorchester, Kent, Somerset, Talbot, Wicomico, and Worcester Counties. Under the agreements, DHCD is requiring that financing be provided, insured, or guaranteed by the State or Federal government. Lenders will be required to comply with generally accepted mortgage underwriting standards consistent with those of HUD/FHA, GNMA, Fannie Mae, Freddie Mac, the Maryland Mortgage Program, USDA Rural Housing Services, the Federal Home Loan Bank, or other private lending institutions.

Lastly, while not Public Housing per se, DHCD has entered into a business relationship with HUD to act as contract administrator for many apartment complexes with project based Section 8 throughout the State. DHCD's role is to ensure that these properties are well managed. The table below shows the number of units and funding for properties managed by DHCD's Office of Contract Administration.

<b>SECTION 8 CONTRACT ADMINISTRATION</b>		
July 1, 2011 - June 30, 2012		
<b>County</b>	<b>Funding</b>	<b>Units</b>
Allegany	\$2,592,193	538
Anne Arundel	\$10,541,598	1,150
Baltimore City	\$56,968,056	7,609
Baltimore County	\$13,924,729	1,808
Calvert	\$517,308	77
Caroline	\$1,428,841	232
Carroll	\$2,625,892	379
Cecil	\$1,539,145	178
Charles	\$6,854,306	670
Dorchester	\$2,847,572	371
Frederick	\$3,893,253	548
Garrett	\$443,626	50
Harford	\$9,760,550	1,372
Howard	\$8,317,465	1,118
Kent	\$1,079,132	150
Montgomery	\$33,127,861	3,154
Prince George's	\$23,315,023	2,757
Queen Anne's	\$243,478	58
Saint Mary's	\$2,462,030	242
Somerset	\$651,299	90
Talbot	\$178,364	33
Washington	\$3,769,441	558
Wicomico	\$4,320,806	691
Worcester	\$1,387,405	228
<b>TOTAL</b>	<b>\$192,789,373</b>	<b>24,061</b>

**LEAD PAINT HAZARD CONTROL ACTIVITIES**

The State of Maryland is a nationally recognized leader for its extensive efforts to reduce lead paint hazards. Maryland uses both federal and State resources to reduce lead hazards and provide lead-safe units of affordable housing to families with young children who are especially susceptible to lead poisoning. Federal programs used for lead hazard control include programs such as HOME where lead hazard reduction is carried out as a matter of course when rehabilitation projects are undertaken. State funds for lead hazard reduction activities may be used in owner-occupied single-family homes and rental housing of up to 100 units. Licensed childcare facilities may also be eligible for funding. Units must meet the following criteria:

- Be in need of lead hazard reduction activity;
- Be constructed prior to 1950;
- Be structurally sound upon completion of lead hazard reduction activity; and
- Be registered with the Maryland Department of the Environment (MDE) Lead Poisoning Prevention Program (rental units only).

State funds may be provided as loans or grants. Loan terms are based on the cash flow of the property and/or the affordability of the borrower. Grants are available only for properties located in targeted areas defined by DHCD and whose underwriting shows there is no affordability to repay a loan or that the property does not have sufficient value to secure additional debt. Targeted areas are defined by the number of low-income households and the amount of pre-1950 of housing stock. There are no income limits for this program.

<b>Residential Lead Hazard Control Program</b>			
July 1, 2011 - June 30, 2012			
County	Loans	Units	Amount
Allegany County	1	1	\$25,000
Anne Arundel County	10	10	\$190,645
Baltimore City	59	64	\$811,404
Baltimore County	10	10	165,496
Carroll County	1	1	\$22,390
Dorchester County	1	1	\$33,542
Frederick County	2	2	\$47,710
Talbot County	2	2	\$57,835
Washington County	1	1	\$19,500
Wicomico County	7	7	\$96,213
Worcester	2	2	\$46,055
<b>TOTAL</b>	<b>96</b>	<b>101</b>	<b>\$1,515,790</b>

### **PRESERVATION OF AFFORDABLE HOUSING**

The Department is strongly committed to the preservation of existing rental housing developments. In terms of direct investment, the Department has increased its investment in preservation in recent years. Since 2000 MDHCD has preserved over 13,800 units of affordable housing statewide, including 280 units preserved during the reporting period (July 1, 2011 through June 30, 2012). In 2008, the Department created a \$75 million set-aside of tax-exempt bonds for preservation opportunities; in 2007 opened the Maryland Housing Rehabilitation Program (MHRP) to provide low-interest, subordinate loans for preservation projects, and began working more closely with the USDA Rural Housing Service to recapitalize rural properties; and in 2006 launched an initiative to preserve expiring HUD 202 properties. Moving forward and building on this success, the Department was awarded funding through the Windows of Opportunity Preservation Leaders initiative of the John D. and Catherine T. MacArthur Foundation to further expand its rental housing preservation initiatives. This 10-year program is up and running. Types of activities undertaken included training on green building techniques, and the establishment of short term loan funds to help finance the quick acquisition of at risk properties outside of normal rating and ranking rounds to help ensure the preservation of units at risk of loss to the affordable housing portfolio. These funds are focused on counties most heavily impacted by BRAC, including Anne Arundel, Baltimore, Cecil, Frederick, Harford, Howard, Prince George's and Saint Mary's Counties which joined together with DHCD as part of the MacArthur application and subsequent program(s). The 2012 Maryland legislature approved an additional \$17.5 million for the Rental Housing Works (RHW) program which will be used in FY 2013 as subordinate gap financing for DHCD's Multifamily Bond Program (MBP) and 4% Low Income Tax Credits.

Energy efficiency is a key tool to preserve existing rental housing. The five utilities will provide \$72 million to the State and \$12.5 million for rental housing developments for the next 3 years. DHCD's Be SMART program has expanded to include the entire state and has been previously addressed. The Department received \$1.25 million HUD energy grant for a pilot program in 12 MF rental housing projects.

### **REMOVING IMPEDIMENTS AND PROVIDING FAIR HOUSING**

In the State's Analysis of Impediments to Fair Housing Choice (AI), the State determined it needed to follow a strategy that 1) provided fair housing education, 2) provided for greater outreach to persons of Limited English Proficiency (LEP), 3) helped ensure fair housing choice for persons with disabilities, 4) Work with the federal government to improve data collection on items such as mortgage lending and determining the housing needs of persons with disabilities, and 5) increasing the supply of affordable and accessible housing. The activities the State undertook in the past year are discussed below:

## **Fair Housing Education**

DHCD continued to be proactive in its efforts to provide fair housing education and training to non-entitlement areas of the state. During the past year, the program-accomplished the following:

1. State-Wide Fair Housing Outreach Events – The Maryland Department of Housing and Community Development (DHCD) sponsored three outreach events throughout the State of Maryland. The themes for the Fair Housing events were “Fair Housing in 2012: “A Clear Path for All”. Events seek solutions brought on by foreclosure education, understanding housing rights and responsibilities, discrimination, reasonable accommodations, expanded communities and landlord tenant issues.
2. Fair Housing Educational Material Distribution – DHCD participated in 12 outreach events that were throughout the State of Maryland. These events had attendee's that represented renters, landlords, home owners and real-estate professionals. Informational brochures and Fair Housing posters were distributed to 700 attendees. Additional distribution of materials was also forwarded to Non-Entitlement (CDBG) Community Development Block Grant recipients throughout the State of Maryland.
3. Promotion of April 2012 as National Fair Housing Month – The month was recognized with participation at several fair Housing outreach Events throughout the State. Events were held in Carroll County by the Carroll Citizens for Racial Equality, Allegany County, Cumberland Human Relations Commission & Housing Accessibility, Baltimore and Harford Counties Human Relation Commissions. The Harford County event which was sponsored by DHCD in partnership with Harford’s County Office of Human Relations was attended by elected officials and representatives from The United States Housing and Urban Development.
4. DHCD Partnership and Training Efforts - DHCD formed partnerships with the U.S. Housing and Urban Development (Baltimore Field Office) and the Maryland Commission on Human Relations that provided guidance and training to professionals throughout the State of Maryland focusing on affirmatively promote fair housing.

## **Expanding the Supply**

As per the information above, DHCD financed thousands of new units of affordable housing during the reporting period. Some projects received multiple sources of funding. However, when all “double counting” is excluded, DHCD produced 2,255 rental units, financed homeownership for 1,468 households, rehabilitated 5,434 homes, and provided rental assistance to 606 households using RAP and HOPWA funding. In addition, DHCD provided rental assistance through the Section 8 program to over 2,000 households who are not counted under rental assistance since the same families typically receive assistance from one year to the next.

### **Providing Fair Housing Choice to Persons With Disabilities**

In addition to these activities, DHCD took specific actions to increase the housing supply for persons with disabilities both in the homeownership and rental market. In the homeownership area, DHCD continued to operate its Homeownership for Individuals With Disabilities program noted elsewhere in this report, assisting 18 families last year. As noted in previous Performance Reports, DHCD changed its rating and ranking factors for rental housing projects, giving bonus points for projects that will affirmatively market units to individuals with disabilities. This change in policy resulted in 166 units being financed, held and/or marketed to persons with disabilities and other special needs during the reporting period (bringing the total number of units for the disabled to 1,536 since this change was implemented.) As noted earlier in the Performance Report, DHCD also continued to successful operation of its Group Home and SHOP programs as well. These programs provided financing for 28 units/beds for persons with developmental disabilities, mental illness, and other disabilities.

### **Outreach to Persons of Limited English Proficiency**

DHCD's major fair housing goal for the past year was increasing information and access to our programs for persons of LEP. DHCD achieved this goal by adding an "En Espanol" section to our website for Spanish speakers, including translating information on all of our homeownership programs as well as all of our special loan programs which focus on housing rehabilitation into Spanish, in addition to translating materials on the Housing Choice Voucher (Section 8) and state-funded Rental Assistance Program. This involved translating and making available hundreds of pages of information, including links and sub links within pages to other Spanish language pages. In addition, a new Spanish language link was added to the Department's homepage, which brought together all previously translated documents and materials (such as Maryland Housing Search and Housing Counseling information) with the new materials onto one central site where it is now possible to find all translated materials in one central location.

In addition, DHCD continues to participate in the State's translation services where speakers of other languages than Spanish may call for assistance and translation of information and materials as needed.

### **Fair Lending and Housing Opportunities**

#### ***Homeownership***

As noted in last year's CAPER, the State of Maryland created a number of new programs to deal with the foreclosure crisis and problems with unfair lending practices, including the Maryland Mortgage Fraud Protection Act, The Protection of Homeowners in Foreclosure Act, and the Real Property Recordation Act. DHCD also created three new programs, Lifeline, Homesaver, and Bridge to HOPE, to help refinance mortgages and/or help owners refinance mortgages through the private sector

DHCD's major efforts regarding fair lending and housing opportunities during the reporting period focused on helping households affected by the mortgage crisis. .

DHCD continued to operate the HOPE Hotline to help families at risk of foreclosure, providing assistance to housing counseling agencies through both federal and state resources. The Department also conducted 165 outreach events with more than 24,191 people in attendance. Over 48,000 pieces of materials were distributed at these events, and another 33,249 pieces of material were mailed out to persons interested in DHCD's foreclosure efforts. The "Mortgage Late, Don't Wait" campaign also included marketing efforts through paid advertisements on buses and bus shelters, radio spots and movie theater advertising. Marketing efforts were stepped up when DHCD received funding for the Emergency Mortgage Assistance Program as discussed elsewhere in this report. Radio ads were doubled in areas of highest foreclosures – Prince George's County and Baltimore City. Advertising was targeted for foreclosure outreach events to drive homeowners to specific events. Bus advertising was increased and creative venues were explored. DHCD bought advertising on a boat that travels up and down the beach in Ocean City, Maryland, with the message, "Mortgage Late? Don't Wait!" A telethon was held at a local television station. Sixteen lines stayed lit for six hours, and more than 870 calls were received from distressed homeowners.

As noted previously, working with DLLR and the Maryland General Assembly, the State passed House Bill 472 which requires mortgage lenders and servicers to be much more responsive to homeowners facing foreclosure. The goal of the law is to help homeowners get relief through a loan modification if they qualify to find an alternative to foreclosure. The law took effect on July 1, 2011 and gives homeowners a new opportunity to meet with the lender and an independent party to ensure that alternatives to foreclosure have been considered and evaluated.

As set for in its AI, the State of Maryland also advocated for reforms in the mortgage process, which were included and passed as part of the Financial Service Reform legislation passed by Congress last year. DHCD is currently awaiting the federal government to issue the new requirements, which should make for greater clarity and fairness in the mortgage process in terms of private lending.

### **Maryland Commission on Civil Rights**

While DHCD continued to carry out its strategies to increase and expand fair housing opportunities developed under its Analysis of Impediments to Fair Housing Choice, the Maryland Commission on Civil Rights (MCCR, formerly the Maryland Commission on Human Relations) has the primary responsibility for carrying out fair housing activities in the State.

Among their major initiatives in the past year (MCCR reports on a calendar year basis, their most recent report is for CY 2011), the MCCR conducted 157 training sessions for almost 7,000 individuals representing 88 different groups throughout the State. MCCR's technical assistance and outreach are part of an ongoing strategy by MCCR to enhance partnerships and relationships between local, State, and federal agencies, including local human relations agencies, the Governor's Office for Minority Affairs, DHCD, HUD, the Department of Justice and others. These activities also tie in directly with the goal in the Analysis of Impediments to improve education about fair housing and fair housing choice.

A total of 60 fair housing complaints were filed state wide in 2011 (down from 75 in 2010), thirteen of them in areas covered under the State's AI (the remainder of the complaints were in the State's entitlement jurisdictions). Of the 60 statewide complaints (breakdowns by jurisdictions are not available), 20 were based on race, 4 on sex, 40 on disability, 10 on familial status. Note that the breakdowns exceed the 60 total cases since cases can be filed in more than one category.

### **THE CONTINUUM OF CARE**

Maryland has long been an advocate of the "Continuum of Care" approach of serving homeless persons and persons threatened with homelessness. The three principal features of Maryland's Continuum of Care are:

1. Preventing low-income individuals and families from becoming homeless, providing outreach to homeless persons, and addressing their individual needs;
2. Addressing the emergency shelter and transitional housing and service needs of homeless individuals and homeless families; and
3. Helping homeless people make the transition to permanent housing and independent living.

The Department of Human Resources (DHR) has primary responsibility for carrying out the Continuum of Care in Maryland. They offer a broad array of programs ranging from homeless prevention to shelter to transitional housing programs. The Department of Health and Mental Hygiene is the main supporting partner in serving the homeless, with special emphasis on homeless persons with special needs including helping persons with mental illness, drug or alcohol addictions or other health issues. DHCD plays a supportive role to these two agencies, with primary emphasis on "bricks and mortars" projects – shelters, transitional housing, and permanent housing – to assist homeless persons as they move through the Continuum, as well as short term rental assistance to families at risk of homelessness. DHR, homeless assistance programs are comprehensive. The services include:

- Service Linked Housing
- Emergency and Transitional Housing Grants (ETHS).
- Homeless Prevention (HPP)
- Women's Services Programs
- Housing Counselor and Aftercare Programs (HCP)

### **Service Linked Housing Program**

This program connects permanent rental housing tenants to services in the community, stabilizing households in precarious housing situations and preventing homelessness. The program typically funds resident advocates who serve as liaisons between residents,

the community, and supportive services such as health service, education, job training, and drug treatment. The table below shows their activities under this program for SFY 2011.

DEPARTMENT OF HUMAN RESOURCES – SERVICE LINKED HOUSING PROGRAM		
Jurisdiction	SFY 2011 Budget	Number of Households Served SFY 2011
Allegany	\$32,409	52
Anne Arundel	\$33,044	91*
Baltimore City	\$319,091	510*
Baltimore County	\$36,196	113
Caroline	\$31,846	402
Carroll	\$32,409	56*
Frederick	\$102,715	221
Garrett	\$56,102	183*
Harford	\$31,005	74*
Howard	\$32,409	37
Montgomery	\$68,446	645
Prince George's	\$168,510	500*
Washington	\$66,335	108
<b>State Total</b>	<b>\$1,012,517</b>	<b>2,992</b>

\* indicates last year's data; providers have not reported this year's data to date.

### Emergency and Transitional Housing Grant Program

The ETHS program provides funding for emergency and transitional shelters, funds shelter beds and support services such as food, transportation, and case management, provides seed money for new shelters and transitional housing programs, and offers limited rent and mortgage assistance. The table below provides information on SFY 2011 through the HPP and ETHS programs:

DEPARTMENT OF HUMAN RESOURCES – HOMELESSNESS PREVENTION PROGRAM / EMERGENCY AND TRANSITIONAL HOUSING PROGRAM							
Jurisdiction	2011 Number of HPP Grants Approved	2011 Total HPP Households Served	2011 ETHS Individuals Served	2011 ETHS Shelter Bed nights	2011 ETHS Number of Rental Assistance Grants	2011 ETHS Number of Mortgage Assistance Grants	SFY 2011 Budget
Allegany	47	47	175	4,041	18	2	\$65,564
Anne Arundel	133	132	250	5,063	0	0	\$142,519

**DEPARTMENT OF HUMAN RESOURCES – HOMELESSNESS PREVENTION PROGRAM /  
EMERGENCY AND TRANSITIONAL HOUSING PROGRAM**

<b>Jurisdiction</b>	<b>2011 Number of HPP Grants Approved</b>	<b>2011 Total HPP Households Served</b>	<b>2011 ETHS Individuals Served</b>	<b>2011 ETHS Shelter Bed nights</b>	<b>2011 ETHS Number of Rental Assistance Grants</b>	<b>2011 ETHS Number of Mortgage Assistance Grants</b>	<b>SFY 2011 Budget</b>
Baltimore City	6,216	6,583	18,748	334,103	0	0	\$1,756,302
Baltimore Co.	219	219	1,275	28,486	14	0	\$131,592
Calvert	17	17	58	1,459	7	0	32,782
Caroline	19	19	34	1,020	46	1	24,524
Carroll	36	67	114	2,478	0	0	55,730
Cecil	46	46	177	2,049	38	0	40,432
Charles	22	22	376	10,027	11	0	79,770
Dorchester	23	17	181	2,994	0	0	39,339
Frederick	15	16	611	14,717	7	0	98,810
Garrett	15	15	0	0	54	0	18,036
Harford	47	47	399	5,834	37	0	40,432
Howard	30	30	167	2,645	25	0	81,410
Kent	11	11	1	0	0	0	\$1,640
Montgomery	71	467	506	13,041	151	2	269,893
Prince George's	127	127	551	12,453	25	6	349,524
Queen Anne's	35	35	14	18	37	0	14,206
Somerset	20	20	0	0	24	0	\$7,650
St. Mary's	37	37	86	1,957	35	3	69,474
Talbot	0	0	72	1,691	0	0	36,061
Washington	94	94	1,003	21,103	38	0	127,221
Wicomico	1,132	1,132	0	0	94	0	32,782
Worcester	0	0	518	7,444	14	0	32,782
<b>State Total</b>	<b>8,232</b>	<b>9,021</b>	<b>24,891</b>	<b>463,519</b>	<b>657</b>	<b>12</b>	<b>3,340,392</b>

**Homeless Women Crisis Shelter Program**

DHR also assists women and children who are homeless, often as a result of domestic violence. The two tables below show grant awards and persons served.

<b>DEPARTMENT OF HUMAN RESOURCES – HOMELESS WOMEN CRISIS SHELTER PROGRAM</b>			
<b>Jurisdiction</b>	<b>Organization</b>	<b>SFY 2011 Budget</b>	<b>People Served 2011</b>
Ann Arundel County	Sarah's House	\$73,673	801
Baltimore City	House of Ruth, Marian House, Collington Square, Baltimore Outreach Service	\$432,778	489
Baltimore County	Community Assistance Network	\$87,797	1,669
Calvert County	Safe Harbor	\$51,447	27
Carroll County	Human Service Program of Carroll Co.	\$109,869	79
Cecil County	Domestic Violence/Rape Crisis Center	\$23,000	103
Garrett County	The Dove Center	\$20,000	27
Harford County	SARC	\$66,944	220
Montgomery County	Helping Hands	\$47,364	128
Prince George's County	Sheppard's Cove	\$143,055	533
St. Mary's County	Three Oaks	\$67,241	509
Wicomico County	Life Crisis	\$19,904	94
Worcester County	Diakonia	\$24,557	154
<b>State Total</b>		<b>\$1,167,629</b>	<b>4,833</b>

**Housing Counselor & Aftercare Program (HCP)**

Operating in five jurisdictions, this program assists low income families who are homeless, or in imminent danger of becoming homeless, to locate, secure, and maintain permanent housing. Counselors help families establish adequate credit references and to apply for subsidized housing. The counselors can also help families' access local public and private resources for the first and last month's rent, security deposits, utility payments, or donations of furniture.

Housing counselors help families to develop and maintain relationships with landlords, often paving the way for people with credit or reference problems to obtain permanent housing. Other assistance may include helping families locate more affordable housing after a rent increase, or helping to find another apartment located near public transportation that is more suitable for a new place of employment. In many of these instances, people are able to remain in housing or to find new housing before being evicted, and as a result, public and private agencies are saved the cost of providing shelter for these households.

<b>DEPARTMENT OF HUMAN RESOURCES – HOUSING COUNSELOR PROGRAM</b>				
<b>Jurisdiction</b>	<b>SFY 2011 Budget</b>	<b>Households Served SFY 2011</b>	<b>Percentage that Retained Permanent Housing at Least Three Months After Placement</b>	
Baltimore City	\$66,450	419	(1)	4.2%
Baltimore Co.	\$66,450	321	(40)	8.0%
Harford	\$33,224	139	(17)	8.2%
Montgomery	\$33,224	203	(43)	4.7%
Washington	\$33,224	306	(42)	7.29%
<b>State Total</b>	<b>\$232,572</b>	<b>1,388</b>	<b>(143)</b>	<b>9.71%</b>

The other major partner in helping the homeless at the State level is the Department of Health and Mental Hygiene (DHMH). DHMH undertook a number of activities to help homeless persons. DHMH specifically focuses on homeless persons with special needs, such as homeless persons who are mentally ill, homeless persons who have disabilities, homeless persons who have been released from confinement, etc. This included the operation of the Projects for Assistance in Transition from Homelessness (PATH) program, a Statewide Shelter Plus Care Program through several grants received from HUD, and the State’s SSI/SSDI, Outreach, Access, and Recovery (SOAR) Initiative. Projects for Assistance in Transition from Homelessness (PATH) supported programs continue to serve as major vehicles for providing services to individuals who are homeless with serious mental illness in Maryland. PATH funds are used for outreach, engagement, case management, screening and diagnostic services, assistance with applying for entitlements, including SSI and SSDI benefits through SOAR trained case managers and outreach specialist, consultation to shelters, training, housing assistance, supportive services in residential settings, and mental health and substance abuse services. PATH funded case managers are located in shelters, detention centers, and service agencies, facilitating outreach and access to services in a timely manner. PATH provides outreach and access in urban, suburban, and all rural areas in Maryland. These services also link individuals and families to the fee-for-service system. The PATH Program is targeted to homeless consumers who have serious mental illnesses or co-occurring substance use disorders, who are disconnected from the community and lack the necessary supports to obtain permanent housing.

In SFY 2011, MHA received \$115,000 increase in PATH funding, which allowed MHA to fund a SOAR Outreach Case Manager in Baltimore City and Anne Arundel County and provide services in 23 counties and Baltimore City in the State of Maryland. The PATH

funding level was \$1,287,000. In SFY 2010, the PATH program was funded at \$1,172,000 providing services in 22 of 23 counties and Baltimore City.

In SFY 2011 local PATH supported agencies identified 2,402 homeless individuals with mental illnesses. Of these, 2,300 actually enrolled for PATH services. In SFY 2012, PATH funding has been decreased by \$3,000.

In SFY 2012, PATH programs are projected to enroll an estimated 3,248 individuals and families. The \$1,284,000 in PATH funding for SFY 2012 will be distributed in the following manner:

<b>Department of Health and Mental Hygiene - PATH Program</b>			
<b>Jurisdiction</b>	<b>Administrative Entity</b>	<b>People Served</b>	<b>Financing</b>
Allegany County	Allegany County Mental Health Systems, Inc.	40	\$54,955
Anne Arundel	Anne Arundel County Mental Health Agency	60	\$48,100
Baltimore City	Baltimore Mental Health Systems, Inc.	425	\$335,756
Baltimore County	Baltimore County Bureau of Mental Health	150	\$96,200
Calvert County	Calvert County Core Service Agency	220	\$30,380
Carroll County	Carroll County Core Service Agency	50	\$37,000
Charles County	Charles County Human Services Partnership	75	\$35,000
Cecil County	Cecil County Core Service Agency	8	\$5,000
Frederick County	Mental Health Management Agency of Frederick	300	\$77,400
Garrett County	Garrett County Core Service Agency	45	\$24,500
Harford County	Harford County Core Service Agency	100	\$71,524
Howard County	Howard County Core Service Agency	90	\$35,478
Mid-Shore Counties	Mid-Shore Mental Health System	100	\$52,624
Montgomery County	Montgomery County Core Service Agency	425	\$115,588
Prince George's County	Prince George's County Department of Family Services, Mental Health Authority Division	150	\$116,264
St. Mary's County	Mental Health Authority of St. Mary's County	400	\$45,950

<b>Department of Health and Mental Hygiene - PATH Program</b>			
<b>Jurisdiction</b>	<b>Administrative Entity</b>	<b>People Served</b>	<b>Financing</b>
Somerset County	Somerset County Core Service Agency	100	\$10,000
Washington County	Washington County Core Service Agency	420	\$37,000
Wicomico County	Wicomico County Core Service Agency	40	\$22,000
Worcester County	Worcester County Core Service Agency	50	\$33,281
<b>TOTAL</b>		<b>3,248</b>	<b>\$1,284,000</b>

Additional grants have also been used to support needed services. PATH supported services are linked with Shelter Plus Care, which provides tenant-based and/or sponsor-based rental assistance, matched with an array of supportive services tailored to meet the needs of the individual or family. MHA has adopted a strategy to target at least 50% of the units for individuals who are homeless and are being released from detention centers Shelter Plus Care. However, several of the small Shelter Plus Care grants target those without criminal justice involvement or targets those who meets HUD's definition of "chronically" homeless. The success of the program is measured not only by enhancement in the quality of life to consumers but also by the reduction in readmission to detention centers and hospitals or the return to homelessness.

In 1995, the U.S. Department of Housing and Urban Development (HUD) first awarded MHA a five-year, \$5.5 million Shelter Plus Care grant to provide housing for individuals who are homeless with serious mental illnesses and their dependents who are being released from the detention center, or are in the community on intensive caseloads of parole and probation. Last year, the SFY 2011 Shelter Plus Care Housing grant was renewed for \$4,529,532 for 19 Shelter Plus Care renewal grants.

For SFY 2012, MHA was awarded funding in the total amount of \$4,542,852 for the Shelter Plus Care renewal grants. The renewal grant award was increased largely due to increases in the Fair Market Rental Values, increases in the number of units funded by HUD, and the renewal grants of all five-year grants. Currently, MHA is serving a total of 637 persons, 136 single individuals with mental illness, 189 families with 312 children and 3 other family members through all of the Shelter Plus Care grant programs.

In April 2008, MHA assumed the leadership for the State's SSI/SSDI, Outreach, Access, and Recovery (SOAR) Initiative. For individuals who are homeless access to the Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) programs can be extraordinarily challenging. Nationally, only about 10 to 15 percent of this population who apply for these benefits are approved on the initial application. SOAR offers an expedited process, training for case managers using the Stepping Stones to Recovery Training Curriculum, strategic planning, and technical assistance.

MHA has ensured a strategic and collaborative approach has been taken to the implementation of SOAR within Maryland. This includes establishing a State Planning Workgroup that meets on a quarterly basis and is attended by key stakeholders, including

representatives from Disability Determination Services (DDS), the Social Security Administration (SSA), the Department of Public Safety and Correctional Services (DPSCS), and participating counties. The State Planning Workgroup has developed a state wide SOAR Action Plan. MHA has also established collaborative working groups in all participating counties; provided 2-day SOAR trainings; supported trainers to participate in the National SOAR Train-the-Trainer Program; provided technical assistance with the collection of SOAR data and collating monthly reports.

In SFY 2011, MHA and the University of Maryland Mental Health Training Center provided five 2-day trainings and trained over 140 people in SOAR. Additionally, three specialized one and a half day SOAR trainings were held for Social Workers working in the state prisons and hospitals and a one day Refresher training was held for Prince George's County. Currently, MHA has 8 active trainers. In SFY 2011, MHA continued to expand the SOAR initiative. In addition to the existing work groups in Baltimore City, Anne Arundel, Howard, Montgomery, Prince George's, and the Lower Eastern Shore counties (Somerset, Wicomico, and Worcester), MHA has held start up meetings and provided on-going support to work groups in Baltimore, Frederick, St. Mary's, Harford, Washington, Garrett and Allegany counties and with Maryland's Department of Veterans Affairs.

Since September 2009, MHA has been collecting data on success of SOAR in Maryland. Baltimore City, exemplifies the success of this collaborative approach. In SFY 2011, 96% of the initial SOAR applications in Baltimore City have been approved in an average of 59 days. Case managers have also used the SOAR process to both initiate reconsiderations and to re-route existing applications. The approval rate for all SOAR related applications is 93%.

Individuals who are homeless and have a mental illness are also served by traditional mental health treatment and support programs, including existing psychiatric rehabilitation programs, case management entities, crisis service providers, and mobile and on-site clinic services. In addition, outreach and eviction prevention services, as well as coordination with needed mental health services are provided to homeless individuals. In Baltimore City, Baltimore Mental Health Systems, Inc. obtained grant funds to provide case management and other services for homeless individuals with mental illnesses. State general funds and mental health block grant funds support additional services and programs for the homeless population.

MHA provides state general funds to support statewide training for mental health providers, which includes providers of PATH services. A portion of Baltimore Mental Health Systems PATH funding is targeted for training for PATH staff delivering services to PATH eligible consumers. In addition to formal training, MHA have quarterly meetings with PATH and Shelter Plus Care providers to discuss clinical and programmatic issues and to provide an opportunity for information sharing between local providers.

In SFY 2011, MHA's Office of Special Needs Populations sponsored several trainings and a conference. The Office sponsored five 2-day Stepping Stones to Recovery SOAR trainings in collaboration with the University of Maryland Training Center using state general funding and PATH funding. On September 14 and 15, 2010 a 2-day SOAR training was provided in Baltimore City at Our Daily Bread; on September 27 and 29, 2010 a 2-day SOAR training was provided at the Montgomery County's Department of Health and Human Services; on December 6 and 8, 2010, a 2-day SOAR training was provided at Prince George's County Department of

Social Services; on December 13 and 14, 2010, a 2-day SOAR training was provided at the Carroll County Hospital Center; on May 9 and 10, 2011, a 2-day SOAR training was provided at the Maryland Disability Determination Services.

Additionally three specialized one and a half day Stepping Stones to Recovery SOAR trainings were held. The first was for the Department of Public Safety and Correctional Services (DPSCS) social workers working in the State prisons (November 30 and December 1, 2010), and the other two were for inpatient social workers working in the State psychiatric hospitals (May 5 and 6, 2011 at Springfield Hospital and June 1 and 2 at Spring Grove Hospital Center). A one day Refresher training was held at Prince George's County Department of Social Services on April 7, 2011. To help ensure appropriate access to medical records and medical information needed to help expedite SSI and SSDI claims using the SOAR process, Montgomery County provided a half day training to medical providers in conjunction with DDS and MHA on November 3, 2010.

Each 2-day SOAR training provided an in-depth, step by step explanation of the SSI/SSDI application and disability determination process and provided strategies for case managers working with homeless persons with serious mental illness and co-occurring substance use disorder to successfully access SSI/SSDI benefits. MHA anticipates that it will provide at least three 2-day SOAR trainings and two SOAR Refresher trainings in FY 2012.

Additionally, MHA in conjunction with representatives from community providers and DDS, gave presentations about SOAR at a number of conferences in SFY 2011, namely.

- Home Conference, Montgomery County (9/16/10)
- NAMI MD (11/4/10)
- The Maryland Rehabilitation Association and the Division of Rehabilitation Services (11/9/10)
- Mental Hygiene Administration's Office of Special Needs populations (3/4/11)
- Mental Hygiene Administration's Annual Conference (5/4/11)
- National Health Care for the Homeless Annual Conference (6/25/11)

### **Service for runaway and homeless youth**

The unmet needs of youth that are homeless are extensive, particularly the needs of the runaway and homeless adolescents with serious emotional disturbance. A special project, for runaway and homeless youth, continues in Ocean City, Maryland, the state's major beach resort area. Located in Worcester County on the Eastern Shore, Ocean City increases from a relatively small community to a population of close to 400,000 in the summer. Many runaway and homeless youth frequent the resort, some experiencing serious psychiatric disorders, almost all involved, in some way, in drug and alcohol abuse. The agencies in the community have formed a successful collaborative consortium to coordinate shelter, primary health, substance abuse, mental health, and other human services for this population. The project serves youth from all areas of the rest of the Maryland and large

numbers of youth from other surrounding states in the region. Federal community mental health block grant funds have been allocated for mobile crisis services in Worcester County. This project is intensively staffed.

### **Services for Children in Homeless Families**

MHA has funded and provided technical assistance to a project for young children who are homeless because their mothers and other family members live in family shelters throughout Baltimore City. The Parents and Children Together (PACT) program provides a therapeutic nursery at the YWCA shelter in Baltimore City, and extensive consultation at The Ark, a day care program that serves many of the children who reside in family shelters across the entire city. This population is reported to experience significant developmental delays, particularly in language acquisition.

The Chrysalis House Healthy Start (CHHS) Program administered by MHA serves children. Thirty six (36) infants have been born to 33 women at CHHS, including one set of twins. Of the 33 women, 23 of them were homeless at the time of admission. Services that supports the children within the families include prenatal care, nursing care and health education groups for the mothers, parenting classes provided through Family Tree, nurturing and bonding, onsite daycare, and case management services. Eight of the women who were homeless moved into Shelter Plus Care Housing.

MHA's Shelter Plus Care Housing Program housed 312 children, within the 189 family households. In addition to the housing the families received an array of supportive services through state, local, and private agencies. Services included mental health treatment, case management, alcohol and substance abuse services, health care, legal services, child care, etc.

Children and adolescents with serious emotional disturbance in families that are homeless can access Maryland's Projects for Assistance in Transition from Homelessness (PATH) and Shelter Plus Care programs for services if needed.

### **Services for Justice Involved Individuals**

The Maryland Community Criminal Justice Treatment Program (MCCJTP), with total state funds of \$1.9 million, supports specific programs targeted at adults 18 years of age and older with SMI in detention centers. The development and delivery of care extended to these individuals is rooted in two key principles: 1) create a continuum of care by providing a variety of services by mental health professionals working within the jail and in the community; and 2) develop a local advisory board to conduct a needs assessment particular to the jurisdiction. In FY 2011 the MCCJTP operated in 22 Maryland counties. The program received an estimated total of 6,750 referrals from which an estimated 5,370 received treatment. From a combination of State and local funding the program anticipates providing over 5,000 hours of psychiatric services, nearly 17,000 hours of combined individual and group psychotherapy, and more than 16,000 hours of case management. While MCCJTP is unable to track recidivism from county to county until information technology is in place, the current recidivism rate is estimated to be between five percent (5%) and ten percent (10%).

In addition to working with the counties, MHA continued to partner with Baltimore City to provide post-booking aftercare planning through the Forensic Aftercare Services Team (FAST). In FY 2011 FAST screened and conducted face-to-face evaluations with nearly 1,000 individuals for program appropriateness and expects to monitor more than 55 individuals in the community as part of a court ordered release plan.

Maryland's efforts to address the issues of individuals with mental illnesses in the criminal justice system were also driven by legislative action which led to the establishment of various workgroups. Starting in FY 2007, a "think-tank" was established in response to House Bill (HB) 990/Senate Bill (SB) 960. The group was charged with exploring issues targeted at "breaking the cycle of re-arrest and re-incarceration" for individuals with mental illnesses. Now formed as the Mental Health and Criminal Justice Partnership (MHCJP), it continues to work with corrections, mental health, substance abuse, consumer and advocacy groups, and other key stakeholders. Their mission is to identify services that aid in reducing recidivism to detention centers. In June, the Subcommittee on Training presented eight objectives from which six were adopted by the Police and Correctional Officers Training Commission (PCTC) for inclusion in annual training. [Mental health training includes mental health awareness, traumatic brain injury, hearing voices, becoming trauma informed (waiting to verify information)]

The Mental Health Transformation Office (MHTO) continues to move forward in supporting efforts that will create a continuum of care for persons with mental illnesses who also have involvement with the criminal justice system. House Bill (HB) 281 required that a work group be developed to address these concerns. The HB 281 Workgroup included representatives from the Department of Public Safety and Correctional Services (DPSCS), Mental Hygiene Administration (MHA), Department of Health and Mental Hygiene (DHMH), Department of Human Resources (DHR), and mental health, legal, correctional, social service, and mental health consumer and advocacy communities. Also, the Maryland Advisory Council on Mental Hygiene/PL 102-321 Planning Council, in collaboration with the Mental Health & Criminal Justice Partnership and the Interagency Forensic Services Committee, continued to promote the development of services including early intervention, diversion, and re-entry for individuals with mental illnesses who encounter the criminal justice system. Additionally, MHA submitted a report detailing its plan to enter into memoranda of understanding with local detention centers to establish a data sharing initiative.

Additionally, the Secretaries of the Department of Health and Mental Hygiene and the Department of Public Safety and Correctional Services (DPSCS) created a special criminal justice "dream" team to examine best practices for pre-trial coordination between community mental health and substance abuse; post trial assessments for care in the detention center; health information/data sharing; and new models for discharge for those being released from the Department of Corrections. MHA's Office of Special Needs serves as the team lead for DHMH. The special criminal justice team is comprised of MHA's Office of Special Needs Populations, CSAs, ADAA, and representatives from the DPSCS. The team will be working with the department secretaries to address the four identified areas and will develop an implementation plan.

In June of FY 2011, a committee was formed to implement SB556/HB1150 regarding training in trauma-informed care and to conform to trauma-informed care principles. In addition, the law requires individuals to report abuse under specified circumstances and requires State facilities to report complaints of sexual abuse or sexual harassment to the State designated protection and advocacy system. The Mental Hygiene Administration is to implement a pilot program in State facilities to provide clinical, direct care, and other staff with regular patient interaction.

MHA also provides \$440,000 in State general funds for the Trauma, Addictions, Mental Health, and Recovery (T.A.M.A.R.) Project which provides treatment for incarcerated men and women who have histories of trauma and have been diagnosed with a mental illness and/or co-occurring substance abuse disorder. The project is available in eight county detention centers; Anne Arundel, Baltimore, Caroline, Dorchester, Frederick, Garrett, Prince George's, Washington Counties and at Springfield Hospital Center. In FY 2011, TAMAR is expected to serve nearly 600 individuals with a combination of services that include individual and group counseling, grief counseling, and case management. To date, 88 percent of treated individuals were identified with a co-occurring substance abuse disorder. The program projects a 26% completion rate and a 30% completion up to Module 10. FY 2012 welcomes the expansion of TAMAR to nine jurisdictions by adding Harford County.

In 2008, TAMAR was recognized with the H.O.P.E. award from the Substance Abuse and Mental Health Services Administration' (SAMHSA) National Center for Trauma Informed Care for the state's leadership in providing trauma-informed care and the TAMAR Program. TAMAR continues to provide presentations and training to State agencies and community mental health centers throughout the state.

In 2007, Maryland-produced a documentary film, "Behind Closed Doors," which highlights the impact of trauma on the lives of four women. Their compelling stories of recovery offer hope and demonstrate the potential for trauma-informed, innovative programming. This nationally recognized film was produced by the Maryland Disability Law Center with support provided through Maryland's Alternatives to Seclusion and Restraint Project, funded by a SAMHSA grant. It was nominated by SAMHSA for the Voice Award. The National Technical Assistance Center has incorporated the film into their national and international trauma-informed care trainings for publicly funded institutions. A follow up documentary, "Healing Neen," was produced with partial funding from the State and directed by the Maryland Disability Law Center. In 2010, the film featured the life story of Tonier Cain (one of the women featured in the original documentary) and is also used as a national and state training tool. Laura Cain of Maryland Disability Law Center was presented with the Visionary Award by On Our Own of Maryland for the "Healing Neen" documentary.

The majority of the women with co-occurring disorders in the criminal justice system have children and a smaller population is pregnant while incarcerated. MHA was instrumental in developing and implementing a program for eligible pregnant women who were incarcerated or at risk of incarceration in local detention centers and the Maryland Correctional Institute for Women (MCIW).

The Chrysalis House Healthy Start Program, which replaced the TAMAR's Children Program, is a collaborative effort with the Department of Public Safety and Correctional Services, the Administrative Office of the Courts, the Alcohol and Drug Abuse

Administration, the Family Health Administration, Baltimore Mental Health Systems, Inc. and the Archdiocese of Baltimore. This program, funded through state general funds, consists of a 16-bed diagnostic and transitional facility for pregnant and post-partum women and their babies. Pregnant women are referred by the court, the state, Defense Attorney, or DHMH. A comprehensive assessment is conducted by a licensed clinician and an individualized treatment plan is developed between each woman and the treatment team. After the newborn's birth, the mother and baby remain in the residential facility and receive a comprehensive array of services. Services include medical care through contract with a health care organization, mental health treatment which includes trauma and attachment-based treatment interventions, substance abuse treatment and co-occurring treatment services, legal services, parenting and childcare services which includes involvement from the Healthy Start and Family Tree Programs, housing, after-hours residential support, health education, and other support services.

Between, July 2007 and June 2011, there have been a total of 69 separate admissions (58 women – a number have had more than one admission) to the program and over 20 healthy babies have been born during this period. The majority of women are known to have both mental health and substance abuse issues and a significant history of trauma. Just under 80% were admitted directly to the program from local detention centers, and a quarter of the women were previously incarcerated at Baltimore City Detention Center.

Evaluations undertaken have shown significant reported improvements in mental health, overall health, and day to day functioning and significant reductions reported in criminal behavior. Eight of the women have subsequently moved into Shelter Plus Care housing programs.

DHCD carried out its supportive role in the Continuum through a combination of actions and programs. DHCD used two programs to prevent families from becoming homeless – the State's RAP program and the ESG program. DHCD funded 31 homeless prevention grants with ESG funds. In regard to State funding, as noted above, a total of 498 households were helped with RAP funds.

The emergency and transitional needs for homeless individuals were also addressed through the ESG program. Under the ESG program, DHCD provided maintenance and operating funding for 49 different emergency shelters assisting 2,130 persons.

Helping the homeless make the transitional to permanent housing was made through DHCD's Shelter and Transitional Housing Grant program. As noted above, this program financed 1 project with 22 beds/units of transitional housing during the reporting period. Permanent housing was provided through DHCD's rental housing programs, which financed 1,950 units of affordable rental housing in the past year.

#### **HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)**

During the past year the Maryland AIDS Administration of the Department of Health and Mental Hygiene (DHMH) continued to operate the HOPWA program. DHMH gives funding from the grant to carry out the Maryland Rural Rental Assistance Program

which provides rental assistance to persons with HIV/AIDS, while DHMH uses its portion of the funds for supportive services. This DHCD operated program operates in the twelve rural counties in Maryland that do not receive HOPWA funds through the HOPWA entitlement program. The twelve counties under the State program are Allegany, Caroline, Cecil, Dorchester, Garrett, Kent, Saint Mary's, Somerset, Talbot, Washington, Wicomico, and Worcester. The table below provides information on families assisted by DHCD during the reporting period:

<b>HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS</b>			
July 1, 2011 - June 30, 2012			
<b>County</b>	<b>Units</b>	<b>People</b>	<b>Financing</b>
Allegany	2	2	\$8,226
Caroline	1	1	\$2,032
Dorchester	8	18	\$56,786
Garrett	0	0	\$0
Kent	1	4	\$11,237
Somerset	2	2	\$5,684
St. Mary's	4	9	\$37,111
Talbot	1	1	\$6,593
Washington	4	9	\$28,788
Wicomico	5	11	\$24,887
Worcester	1	3	\$4,464
<b>TOTAL:</b>	<b>29</b>	<b>60</b>	<b>\$185,808</b>

**Assistance to Persons with Special Needs**

In addition to activities funded under the HOPWA grant, DHCD provided assistance to persons with Special Needs, including persons with disabilities and the elderly and frail elderly, through a variety of State programs. This included the persons assisted with the 31 beds financed under the Group HOME and SHOP programs, and the 18 households assisted under the Homeownership for Persons with Disabilities Program. In addition, as noted above, DHCD changed its rating and ranking system for developing multi-family rental units. This was achieved by doubling the number of points received under the rating and ranking system for rental housing loans that provide accessible units for persons with Special Needs. This resulted in 166 rental units being financed through these programs which use both federal and State funds, including federal HOME funds, Low-Income Housing Tax Credits, State appropriations, as well as private financing and developer's equity among other sources. All of these additional units are either fully handicapped accessible or specifically outfitted for persons with visual or hearing disabilities.

**Antipoverty Strategy**

The Community Services Block Grant Program (CSBG) was created by the federal Omnibus Reconciliation Act of 1981 to provide a range of services designed to assist low-income people. Services rendered under the CSBG program tie directly into the State's Anti-poverty strategy as it helps low-income people attain the skills, knowledge and motivation needed to achieve self-sufficiency

Congress appropriates funds for the CSBG program. Eligible entities or Community Action Agencies (CAAs) must receive annually 90% of the funds appropriated. These eligible entities have been designated by either the federal government or the State of Maryland's Department of Housing and Community Development to act on behalf of Maryland's low-income population. The CAAs are required to provide programs that meet the needs of the local jurisdiction.

The table below shows activities Maryland's CAAs are undertaking with CSBG funds. Please note that the "individuals assisted" column is a best estimate because the program operates on a federal fiscal year basis, which closes September 30, 2012.

<b>COMMUNITY SERVICES BLOCK GRANT</b> Est. Activity July 1, 2011 - June 30, 2012					
Grantee Name	Project County	Individuals Assisted	Grant Amount	Leveraged Dollars	Total
Allegany Co. HRDC	Allegany	24,054	\$272,596	\$11,079,607	\$11,352,203
Anne Arundel County EOC	Anne Arundel	10,063	\$340,331	\$5,657,585	\$5,997,916
Mayor's Office of Human Services	Baltimore City	22,126	\$2,895,047	\$36,611,991	\$39,507,038
Community Assistance Network	Baltimore County	18,885	\$534,515	\$2,400,402	\$2,934,917
Delmarva Community Services	Dorchester	3,184	\$277,666	\$13,151,590	\$13,429,256
Frederick Community Action	Frederick City and County	6,838	\$265,235	\$4,021,981	\$4,287,216
Garrett County Community Action Committee	Garrett	7,439	\$250,259	\$10,793,991	\$11,044,250
Harford County Community Action	Harford	16,933	\$249,780	\$1,538,677	\$1,788,457
Community Action Council of Howard County	Howard	5,404	\$249,256	\$8,202,350	\$8,451,606

<b>COMMUNITY SERVICES BLOCK GRANT</b> Est. Activity July 1, 2011 - June 30, 2012					
<b>Grantee Name</b>	<b>Project County</b>	<b>Individuals Assisted</b>	<b>Grant Amount</b>	<b>Leveraged Dollars</b>	<b>Total</b>
Human Services Programs of Carroll County	Carroll	5,313	\$247,194	\$6,047,022	\$6,294,216
Maryland Rural Development Corporation	Cecil, Caroline and Kent Counties	664	\$314,815	\$3,878,746	\$4,193,561
Montgomery County Community Action	Montgomery	37,859	\$455,184	\$6,988,108	\$7,443,292
Neighborhood Service Center	Talbot	6,199	\$246,063	\$609,039	\$855,102
Shore UP! Inc.	Queen Anne's, Somerset, Wicomico and Worcester Counties	9,345	\$445,701	\$15,912,331	\$16,358,032
Southern Maryland Tri-County CAC	Calvert, Charles and Saint Mary's Counties	22,543	\$403,432	\$17,213,104	\$17,616,536
Spanish Speaking Communities of Maryland	Frederick, Montgomery, and Prince George's Counties	1,057	\$60,000	\$351,400	\$411,400
United Communities Against Poverty, Inc.	Prince George's	3,283	\$541,382	\$2,380,376	\$2,921,758
Washington County CAC, Inc.	Washington	11,0983	\$272,191	\$4,216,738	\$4,488,929
<b>TOTAL</b>		<b>178,217</b>	<b>\$8,263,647</b>	<b>\$151,112,038</b>	<b>\$159,375,685</b>

## PART II - ASSESSMENT OF ANNUAL PERFORMANCE

The State of Maryland's Consolidated Plan has three major goals:

- To Revitalize Communities
- To Encourage Homeownership
- To Expand the Supply of decent, affordable housing

The State's efforts to meet these goals in the last year were generally very successful.

**Goal: Revitalizing Communities**

DHCD was very successful in its goal of helping to revitalize Maryland's communities. Under the State's policies, almost all of DHCD's housing, business, and community development programs are targeted to either Smart Growth areas or designated revitalization areas. DHCD's Community Legacy program, the success of the Neighborhood BusinessWorks program, the award of tax credits by the Community Investment Tax Credit program, and the targeting of housing programs to designated revitalization areas all worked together to help revitalize at-risk neighborhoods. Activities undertaken by the CSBG program that helped people living in at risk neighborhoods helped promote community revitalization as well.

**FEDERALLY FUNDED ACTIVITIES –**

**ASSESSMENT OF COMMUNITY DEVELOPMENT BLOCK GRANT PROJECTS IN RELATION TO PRIORITIES**

**SUMMARY OF ACTIVITIES AND ACCOMPLISHMENTS**

**Assessment of the Use of CDBG funds in Relation to Priorities of the Con Plan**

Maryland awarded CDBG funds for 22 new grants and 7 amendments to existing grants during the period July 1, 2011 through June 30, 2012. All were High Priorities as designated in the Consolidated Plan. For those new grants with activities which serve people, there were 34,416 proposed beneficiaries. Of the total proposed beneficiaries, 20,755 or 60% are estimated to benefit low and moderate income (LMI) persons who are defined as persons with income below 80% of the area median income (AMI) established for each county by HUD. For housing related activities, 98 units will be constructed or rehabilitated. Of those, 100% are estimated for low and moderate income households. Additionally for housing, 25 households were proposed for direct Homeownership Assistance. There is one grant which will result in the demolition of 1 blighted building. Additionally, we can further report the following:

**Proposed and Accomplishments - Housing**

For Program Year 2011, there are 5 grants with housing activities. They include: 1) rehabilitation of 55 owner-occupied units; 2) construction of 43 multi-family rental units; and 3) down payment assistance for 25 homebuyers. An amendment was approved for one prior year grant for the rehabilitation of 9 additional units. The proposed activities will only benefit low and moderate income households. The following is a comparative analysis of the types of housing units proposed for Program Year 11 and actual units accomplished during Program Year 2011 from previously awarded grants.

Program Year 2011	Owner Occupied Rehabilitation		Homeownership Assistance		New Owner-Occupied Construction		Multifamily Rental Housing	
	P	A	P	A	P	A	P	A
	55	34	25	398	0	4	43	16

Note: P=Proposed, A=Accomplished

The following is a comparative analysis of the homeowners and renters who benefited to date from Program Year 2011 CDBG assistance within the low and moderate Income levels:

### Housing Beneficiary Analysis

Of the 98 units proposed to be rehabilitated or constructed in Program Year 2011, 11 units were completed by June 30, 2012. Of those, 11 are occupied by the low moderate income homeowner households.

Income Level	51-80% AMI	31-50% AMI	0-30% AMI		Income Level	51-80% AMI	31-50% AMI	0-30% AMI
<b>Renter Households</b>					<b>Homeowner Households</b>			
Senior	0	0	0		Senior	3	3	0
Small	0	0	0		Small	1	0	1
Large	0	0	0		Large	0	0	0
Other	0	0	0		Other	1	1	1
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>Total</b>	<b>5</b>	<b>4</b>	<b>2</b>

Senior - 1 and 2 members with either person 62 years old or older.

Small - 2 to 4 members.

Large - 5 or more members.

Other - All others.

### Proposed and Accomplishments - Economic Development

There were no new grants awarded for economic development activities during Program Year 2011, however, there was an amendment awarded to an existing grant. No additional beneficiaries will result from the additional funds. The following chart identifies the number of jobs created and retained during Program Year 2011 as a result of previously awarded grants.

Program Year 2011	Jobs Created	Jobs Retained	Total # Jobs	Total # LMI Jobs	Low and Moderate Income Ranges		
					0 – 30% AMI	31 – 50% AMI	51 – 80% AMI
	0	0	0	0	4	29	

### Proposed and Accomplishments - Slum and Blight

During Program Year 2011, there was one new award to address the removal of slum and blight. It will result in the demolition of one blighted building.

### Proposed and Accomplishments - Public Facilities Accomplishments

Two new grants were awarded during Program Year 2011 for renovations to existing public facilities. For improvements to public facilities, 51% of all beneficiaries must be of low and moderate income. The funded public facilities will serve clientele that are either presumed or income qualified to be low and moderate income. The following chart identifies the number of beneficiaries proposed for Program Year 11 and actual beneficiaries reported during Program Year 2011 as a result of previously awarded grants.

Program Year 2011	Proposed	Proposed LMI	% LMI	Actual	Actual LMI	% LMI
Public Facilities	666	664	99.6%	12,007	11,474	96%

### Proposed and Accomplishments - Infrastructure

Twelve new grants were awarded during Program Year 2011 for construction of new infrastructure or improvements to existing infrastructure. For infrastructure activities, 51% of all beneficiaries must be of low and moderate income. The funded infrastructure activities will benefit communities or areas where it has been determined that at least 51% of the persons living there are of low and moderate income. The following chart identifies the number of beneficiaries proposed for Program Year 11 and actual beneficiaries reported during Program Year 2011 as a result of previously awarded grants.

Program Year 2011	Proposed	Proposed LMI	% LMI	Actual	Actual LMI	% LMI
Infrastructure	33,750	30,091	59.5%%	0	0	0%

### Proposed and Accomplishments - Public Services

There were no new grants awarded for public service activities during Program Year 2011.

#### Resources

Each year, CDBG projects are leveraged from a variety of resources: local jurisdictions, counties, non-profits, private businesses, as well as other State and Federal agencies. Overall, \$1 of CDBG awarded has been leveraged with \$6.68 of funds from other resources for Program Year 2011. The Summary of CDBG Projects awarded funds for Program Year 2011 includes leverage and total project cost.

#### CDBG Monitoring

Each open activity is assigned a performance and outcome measure consistent with the type of CDBG activity. MD CDBG Program continues to use its revised grantee reporting system to collect the required performance and outcome data for HUD. Grantees receive a briefing on performance and outcome reporting at CDBG's annual Application and Training Workshop and, in more detail, at Implementation Training for grantees. Technical assistance for grant reporting is also provided on an on-going basis as needed. The progress by grantees on meeting performance and outcome requirements, as well as accomplishments and beneficiaries, are reported in HUD's Integrated Disbursement and Information System (IDIS) by the MD CDBG Program.

CDBG Project Managers conducted 17 monitoring reviews during Program Year 2011. MD DHCD uses the team approach to monitor regulatory compliance, accomplishments, performance measurement outcomes and national objectives of the various grant components. CDBG Project Managers provide technical assistance to grantees as needed during the administration of the grant. Each project is monitored, at a minimum for eligibility, national objective and financial management. In most cases, the monitoring includes a review of all applicable areas specific to the project. The Monitoring Handbook contains checklists for evidence of documentation to indicate that grantee practices are consistent with CDBG policies and regulation. There are checklists for:

- Environmental review
- Project Management and Record keeping
- Financial Management
- Procurement and Bonding

- Acquisition
- Relocation
- Fair Housing/Equal Opportunity (FHEO)
- Labor Standards
- Housing Rehabilitation
- Public Facilities / Infrastructure
- Economic Development
- Sub Recipient Monitoring
- Audit Compliance

The grant monitoring also includes a review of the evidence of documentation that the designated performance measures and outcomes have been met.

The grantee is sent a written report of the monitoring results. If there are findings or matters of concern, the report includes corrective actions that the grantee must achieve for compliance. When all findings and matters of concern are resolved, the monitoring phase of the grant is completed and project moves to closeout.

#### **Closeout of CDBG Projects**

Upon successful completion of the monitoring phase, the State initiates the closeout process. During Program Year 2011, 18 CDBG projects were closed by the State.

#### **Goal: Encouraging Homeownership**

DHCD did not meet its homeownership goals for the past year. Due to problems in the homeownership market, DHCD provided homeownership to 1,468 (non-duplicated) households last year, below its goal of 1,868 units. However, we note that the number of loans closed was almost double the number of units (724) financed the previous year. In addition, while not part of the original goals, we would note that DHCD also financed over 1,100 EMA loans during the reporting period.

#### **Goal: Expanding the Supply of Decent Affordable Housing**

The Department exceeded its rental housing goals for the year. The Department financed 2,255 units, above its projected goal of 2,184 units. DHCD greatly exceeded its yearly goal for the Special Loans Programs, providing assistance to 5,973 units substantially above its one year goal of 3,704 units. This was due to a large number of units weatherized due to remaining ARRA funding.

For the rental subsidy programs, DHCD assisted 606 households through RAP, and HOPWA, which exceeded its goal of 500 units.

### Goals and Accomplishments

The table below shows DHCD's proposed housing goals for each Consolidated Planning year compared to actual accomplishments.

GOALS BY YEAR								
	Rental Housing		Homeownership		Special Loans		Rental Subsidy	
Year	Goal	Actual	Goal	Actual	Goal	Actual	Goal	Actual
2010	2,600	3,179	1,868	724	3,704	4,515	2,794	2,788
2011	2,184	2,255	1,868	1,450	3,704	5,973	500	606
2012								
2013								
2014								
<b>TOTAL</b>	<b>4,784</b>	<b>5,434</b>	<b>3,736</b>	<b>2,174</b>	<b>7,408</b>	<b>10,488</b>	<b>3,294</b>	<b>3,394</b>

NOTE: Actual Numbers for Homeownership and Rental Housing are non-duplicated counts. That is, for homeownership, owners who received both an MMP loan and a DSELP loan are only counted once. For rental housing, most projects have multiple funding sources (for example, Tax Credits, HOME, MEEHA and State funds) but units are only counted once. For the Rental Subsidy Programs, Housing Choice Vouchers are only counted in the first year in order to avoid double counting.

The table below shows DHCD's housing accomplishments compared to the five year goals established in the Consolidated Plan:

Accomplishments to Date					
July 1, 2011 - June 30, 2012					
Report Year	Rental Housing	Homeownership	Special Loans	Rental Subsidy*	Total for Reporting Year
<b>2010</b>	3,179	724	4,515	2,788	10,264
<b>2011</b>	2,255	1,468	5,973	606	10,005
<b>2012</b>					
<b>2013</b>					
<b>2014</b>					
<b>Total</b>	<b>5,434</b>	<b>2,192</b>	<b>10,488</b>	<b>3,394</b>	<b>20,269</b>

Accomplishments to Date July 1, 2011 - June 30, 2012					
Report Year	Rental Housing	Homeownership	Special Loans	Rental Subsidy*	Total for Reporting Year
Five Year Goal	13,350	9,340	7,680	3,294	33,484
Percentage of Production compared to Five-year Goal	40.68%	23.46%	136.56%	103%	60.53%

\* Note that FY 10 funding for Rental Subsidy includes Vouchers Administered. Years 2011-2014 does not include the Section 8 Vouchers the Department was already operating in 2010 in order to prevent double counting. Rather, this number includes RAP and HOPWA assistance.

Housing that meets Section 215 goals

HUD asks grantees to report on housing that meets Section 215 goals. Housing that meets Section 215 criteria are housing units that meet all the same income targeting and repayment provisions of the federal HOME program, whether or not the housing units were actually HOME funded. All rental services assistance, and all special loans units, and all rental units that DHCD financed in the last two years would meet Section 215 goals. While many of DHCD’s homeownership loans went to households who meet Section 215 income limits, because our repayment requirements are different than those of the HOME program, most homeownership units don’t meet Section 215 criteria. Consequently, only the HOME-financed homeownership units would meet Section 215 goals.

***The Public Welfare***

The financing the State provides for the development of affordable rental housing is not available in the private sector. Low interest loans and grants from the State (coupled with federal, local and private resources) are critical to the success of these financing programs as part of the Department’s overall neighborhood conservation efforts. Without the State’s programs to fill funding gaps and leverage other money, a significant amount of housing would not be generated. Revitalization efforts often consist of the rehabilitation of older buildings that contain hazardous materials. DHCD financing is typically used to abate such health, safety and environmental hazards as lead paint and asbestos. In addition, critical systems, such as heating, plumbing, electrical and structural, are replaced and upgraded. Investment in rental housing development also generates State and local government revenue. State revenue during construction includes sales tax, personal income tax and transfer tax. Construction period review to local governments includes personal income, transfer and recordation taxes, along with impact, sewer, water and other fees.

Industries and trade groups also benefit from the production of rental housing. The creation of jobs and the generation of intermediary fees provide additional financial benefits to appraisers, architects, engineers, attorneys, developers and general contractors.

The ability to maintain or increase the level of homeownership in any given community can have a critical impact on the health of the community and the residents. The elimination of funding would reduce the opportunity for Marylanders to become homeowners and for our communities to reach their full potential.

The Special Loan Programs reduce public health threats by eliminating lead hazards and providing funding to supply adequate water and sewage disposal systems in residential housing. It is well documented that lead in the blood severely affects children less than six years of age and pregnant women. A lead-poisoned child's medical bills may be as high as \$1,000 a day and the child will sustain permanent injuries. These injuries reduce the child's ability to become a productive member of society. More often than not, the lead-poisoned child has no insurance, so medical charges are borne by taxpayers. The main source of lead hazards is from the deterioration of lead-based paint in residential housing, primarily those built before 1950. Maryland has more than 160,000 of these units. Special Loans receives funding to eliminate the hazards of lead-based paint in residential housing. The small investment to eliminate lead hazards pays many dividends by eliminating potential medical costs and societal costs.

The group housing programs reduce the overall costs to government for housing individuals with disabilities. Large residential institutions charge a rate 3 to 4 times the rate to care for an institutionalized individual than community-based residences. The State is primarily responsible for the cost of care. Consequently, the State realizes substantial savings when an individual is placed in a community residence, rather than a large institution. Also, many privately financed group housing sponsors must rent their facilities at high rates in order to pay high interest rate mortgages from private lending institutions. Financing through the Department's programs allows the sponsor to lower housing costs, and provides an opportunity for the State to recapture these funds and reuse them to provide additional housing.

### ***HOME Specific Reporting Requirements***

The activities carried out under the State's HOME Program during the reporting period followed the overall objectives identified in the Consolidated Plan. The fundamental objective of the Consolidated Plan is to serve the needs of the very low-income households in the State of Maryland. The HOME Program has been instrumental in helping to meet the housing priority needs of those households identified in the Plan. The housing goals identified included providing homeownership opportunities for very low-income Maryland citizens, revitalization of existing neighborhoods and communities, and leveraging valuable State resources.

The HOME funds committed during the reporting period were consistent with the goals and the objectives identified in the Consolidated Plan. During the period July 1, 2010 through June 30, 2011, the State committed \$9,724,283 in HOME funds. These funds were used to make 125 loans, totaling 160 HOME-assisted units, at an average cost of \$60,777 per unit. The commitments consisted of \$5,500,000 for rental housing projects, \$884,320 for homeownership assistance, and \$3,164,728 for homeowner rehabilitation assistance. In addition, there were 2 acquisition/rehabilitation loans in Cecil County for \$62,735 and \$112,500 for Tenant Based Rental Assistance in Carroll County.

Rental housing activity consisted of: (3) three multi-family rental housing projects receiving a total award of \$5,500,000 in HOME funds for 204 units of which 38 are HOME-assisted units .

On-site monitoring inspections were conducted for 30 multi-family HOME-assisted projects, containing a total of 1,580 units, with 467 of those being HOME-assisted.

There were 79 direct homebuyer assistance projects during the reporting period. HOME funds were primarily used as soft second mortgages to help make home purchases affordable, as well as for down payment and closing cost assistance. HOME funds were also used to rehabilitate existing houses for resale to income eligible homebuyers. All but thirteen of the homeowners had incomes within the State’s goal of 55 percent of the statewide median, which averages high-income areas with low-income areas. The State targets its funds more deeply than the federal regulations allow.

HOME Program Incomes Served				
ACTIVITY	0-30%	31-50%	51-60%	61-80%
Homebuyer Assistance	10	47	9	13
Owner Occupied Rehabilitation	20	15	4	2
<b>TOTAL</b>	<b>30</b>	<b>62</b>	<b>13</b>	<b>15</b>

Homeownership assistance succeeded in assisting families with three or more members. Twenty-Nine families with three or more members used HOME funds to purchase their homes. Homeownership assistance also reached the minority population by assisting 10 minority households.

Homeowner rehabilitation continued to play a major role in the HOME Program. There were 41 individual homeowners assisted during the reporting period. The average HOME program cost per unit for homeowner rehabilitation was \$77,188. The majority of the activity was generated through the Special Targeted Areas Rehabilitation (STAR) program. The STAR program assisted households who could not qualify for other State loan programs.

**Affirmative Marketing:**

The requirements for affirmative marketing in accordance with Section 92.351 are contained in the written agreement, the State’s Regulatory Agreement, for the HOME Program. The Regulatory Agreement is executed at closing with entities and sponsors receiving HOME funds for rental housing projects. The success of affirmative marketing is reviewed as part of the ongoing monitoring process for each project. An Asset Management Officer is assigned to each rental housing project that receives

financing from the State. The Asset Management Officer works with project management staff to ensure compliance with the Regulatory Agreement, including the requirement for affirmative marketing.

There was one large rental housing project with five or more units under construction during the reporting period. The project under construction contains a total of 14 HOME-assisted units. The procedures for affirmatively marketing units, as outlined in the Regulatory Agreement, will be executed by the projects' owners at closing. The sponsor is required to display the "Fair Housing" logo prominently in the Rental Office and forward copies of all written advertisements and transcripts of radio/television advertisements and transcripts to the Asset Manager during the initial lease-up period. The sponsor agrees to maintain affirmative marketing records and to comply with the provisions of Federal, State and local laws prohibiting discrimination in housing. The recently begun rental housing projects are in compliance with the procedures to affirmatively market their units as specified in the Regulatory Agreement.

<b>HOME PROGRAM – AFFIRMATIVE MARKETING</b>						
July 1, 2011 - June 30, 2012						
<b>Project Name</b>	<b>County</b>	<b>Total Costs</b>	<b>HOME Funds</b>	<b>Total Units</b>	<b>HOME Units</b>	<b>Occupancy Type</b>
<b>Somerset Commons</b>	Somerset	\$10,582,519	\$1,500,000	32	14	Family
<b>BayWood Village/Rock Hall</b>	Kent	\$12,622,100	\$2,000,000	104	14	Family
<b>Calvert Heights</b>	Kent	\$9,773,084	\$2,000,000	40	14	Family
<b>TOTAL</b>		<b>\$32,977,703</b>	<b>\$5,500,000</b>	<b>204</b>	<b>38</b>	

### **Assessment of Affirmative Marketing Efforts**

As noted above, DHCD requires all recipients of HOME funds to have an Affirmative Marketing Plan as part of the requirement for receiving HOME funds. This obligation, along with the obligation to comply with all HOME requirements, is memorialized in the Deed of Trust recorded at initial closing on the financing. DHCD holds a kick-off meeting for all multifamily financing through the Department. This meeting is attended by all members of the development team for the project, including the management company. Whenever departmental financing includes HOME funds, the HOME Program Administrator attends the kick-off meeting to review all HOME requirements. DHCD will emphasize the affirmative marketing obligations and provide written guidance outlining how the owner should comply with this obligation.

As part of its underwriting for the financing, DHCD requires submission of a marketing plan for the property and will review the Plan for outreach to individuals with disabilities and to ensure that an affirmative marketing plan is included as part of the overall project's marketing plans. Failures to include the plan, as well as any deficiencies in the submitted plan are noted in a report back to the development team. All deficiencies must be corrected prior to initial closing of the loan.

Owners are reminded at the project kick-off and at the pre-closing meeting that projects that receive HOME funding are required to keep Affirmative Marketing Plans on site and that such plans will be reviewed as part of compliance monitoring carried out on-site by Asset Managers from the Division of Credit Assurance. During the on-site compliance review, Asset Managers will determine whether the Affirmative Marketing Plan is present, record the goals in the plan, and help capture the data on initial occupants in housing projects, which is also captured in IDIS.

To assess the success of affirmative marketing plans, owners will be asked to provide to the HOME Program Administrator their assessment based on the goals set in the plan. An overall assessment of affirmative marketing plans will be made by the HOME Program Administrator based on a review of the goals of the affirmative marketing plans, the owners' assessments, and the results of initial occupancies.

No HOME financed multifamily projects came on-line (started renting up) during the reporting year, so there were no marketing plans to be assessed.

Below is a list of a number of affirmative marketing initiatives DHCD has undertaken in the past year. These initiatives are intended to encourage and educate minorities and MBEs to use our housing programs.

**Greater Baltimore Urban League Gala-** Serving as an annual resource for thousands of Baltimore's underserved citizens, the League's mission is to enable African Americans and other minorities to secure economic self-reliance, power and civil rights. The League is devoted to empowering communities to enter the economic and social mainstream through advocacy, outreach, programs, initiative and other direct service solutions. The Gala offers DHCD the perfect opportunity to highlight our *More House 4 Less* state sponsored mortgage program to the more than 500 professionals, decision-makers and key influencers attending the event.

**MD Washington Minority Contractors Association, Inc.'s Annual Spring Breakfast-** The event is geared to bring people and businesses together to network and create partnerships among minority business enterprise and major corporations. The event provides a specific target audience in which to market NR's business ownership programs, such as *Neighborhood BusinessWorks*, which provides gap financing for small businesses and nonprofits starting up or expanding in urban, suburban or rural areas targeted for revitalization.

DHCD's other affirmative marketing efforts include the distribution of information on its homeownership programs in both Spanish and Chinese (these brochures are currently being updated) as well as distribution of fair housing materials through its CHRB.

Overall, DHCD's assessment of its affirmative marketing is "good". DHCD will continue to strive to monitor and assess the success of affirmative marketing plans for multifamily HOME projects while maintaining its strong outreach in areas such as those listed above.

### **Minority and Women Outreach:**

During the reporting period of July 1, 2010 through June 30, 2011 there were three rental housing projects with five or more unit's set-up on the Integrated Disbursement and Information System (IDIS). The ownership entities formed for the projects were limited partnerships, which did not consist of a minority-owned or women-owned controlling entity.

The State takes an aggressive role in encouraging and promoting the use of minority (MBE) and women (WBE) owned enterprises in State funded housing activities. The State's policy sets a goal to make a good faith effort to award 25 percent of the costs of State-funded projects, including those assisted with HOME funds, to minority and women owned business contractors and vendors. For multi-family rental housing projects, extra points are awarded under the project evaluation criteria when a minority or women owned business entity has a controlling ownership interest. Once funds are awarded, rental housing project sponsors must submit a plan describing the efforts they will take to reach the 25 percent MBE and WBE participation goal.

The Department continues its outreach effort to solicit minority and women-owned businesses and to inform developers and contractors of the availability and capability of such entities. The outreach efforts include a review of all solicitations for subcontracting opportunities by the Department's Minority Business Enterprise (MBE) Liaison and Procurement Manager. The Office of Fair Practices will fulfill all reporting requirements as they relate to the Department's participation in the HOME Program.

### **Assessment of Outreach to Minority Owned and Women Owned Businesses**

DHCD requires all HOME funded projects it undertakes to have an approved Minority and Women Business outreach plan for Minority Business Enterprises (MBEs). The Plan is submitted to DHCD before a loan is closed and is reviewed and approved by DHCD's Office of Fair Practices. Compliance with the MBE Plan is monitored through desk audits with the submission of HUD Form 2516, which includes information from contractors on minority and women business activities.

As noted above, DHCD also does active outreach to MBEs. These affirmative marketing efforts give DHCD the opportunity to showcase both business opportunities and housing opportunities for MBEs. In addition, as part of the State's own Managing for Results efforts, DHCD sets a goal that "a minimum of 25% of all State and federal construction/rehabilitation loans, exceeding \$250,000, go to certified MBE firms". A final analysis for SFY 2011 was not available at press time. Based on the data reported on and field visits by DHCD's Fair Practices staff, DHCD met its goal of having at least 25% of its construction contracts over \$250,000 go to MBEs in 2009, with 33.9% of all contracts awarded in SFY 2009 awarded to MBEs. For SFY 2010, 19.4% of all contracts in were awarded to MBEs. This was lower in part due to ARRA, however, generally DHCD's assessment of outreach to MBEs is that the Department meets its goals and has been effective in MBE outreach (note: DHCD exceeded all of its MBE goals at least as far back as 2006, which is the latest information available.) .

**Home Match**

The federal government requires that DHCD’s allocation of HOME funds be matched by State resources. The match is a 25 percent match, that is, DHCD must provide \$1 in match for every three dollars in HOME funds it receives. DHCD is allowed to “bank” matching funds from previous years, as well as the current program year. DHCD uses its Rental Allowance Program as well as the Bridge Subsidy program to meet the HOME match requirement. These programs offer a direct rental benefit to extremely low-income households, and HUD has determined it as a fully eligible source of match. \$1,228,600 was appropriated for the RAP program and \$15,484 was appropriated for the Bridge Subsidy program during the reporting period. Due to a presidentially declared disaster this year related to winter storms, DHCD’s match requirement for the HOME program was waived. Therefore, both the RAP dollars and the Bridge Subsidy dollars are being banked in DHCD’s HOME match account.

**Project Monitoring--FFY 2011**

As noted above, DHCD/DCA staff inspected 29 HOME-assisted apartment projects with 1,568 total units and 504 HOME-assisted units during the reporting period. This included both physical inspections and inspecting tenant files. No units failed the physical inspection, and no tenants were found over-income, or paying excess rent or not recertified. In addition to inspecting the projects and tenant incomes and rents, the monitoring also included the inspection of common areas in HOME-assisted projects. This included checking halls, stairwells, laundry rooms, recreation rooms, lobbies, and exteriors. As the chart below indicates, several negative findings were reported.

**HOME MONITORING**

Description of areas monitored in on-site inspections:	
<ul style="list-style-type: none"> <li>• Maintenance &amp; Security: General physical condition; preventive maintenance; vacant unit preparation; and security program.</li> <li>• Financial Management: Budget management; cash controls; submission of reports; financial compliance; and rental collection.</li> <li>• Leasing &amp; Occupancy: Tenant selection and orientation; leases and deposits; rent schedule compliance; application processing; recertification system; monthly vouchers; and tenant files and records.</li> <li>• Drug-Free Housing Policy: Evidence of drug use/sales at project address.</li> <li>• General Management Practices: Owner participation; organization and supervision; staffing and personnel practices; operating procedures and manuals; training; and office administration.</li> </ul>	
Total number of projects due for inspection during program year based on total number of units in a HOME-assisted project	29 projects
Total number of projects inspected on-site for property standards during program year	29 projects
Total number of projects inspected on site for accuracy of information on rents and incomes during program year	29 projects
Total number of HOME units and common areas inspected	179 units

	(Common areas in every project are inspected. Examples of common areas include halls, stairwells, laundry rooms, recreational rooms, lobbies and exteriors.)
Total number of units which did not pass inspection	None
Total number of tenant files reviewed	179
Total number of files in which errors were discovered	None

**Public Comments**

None at this time.

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